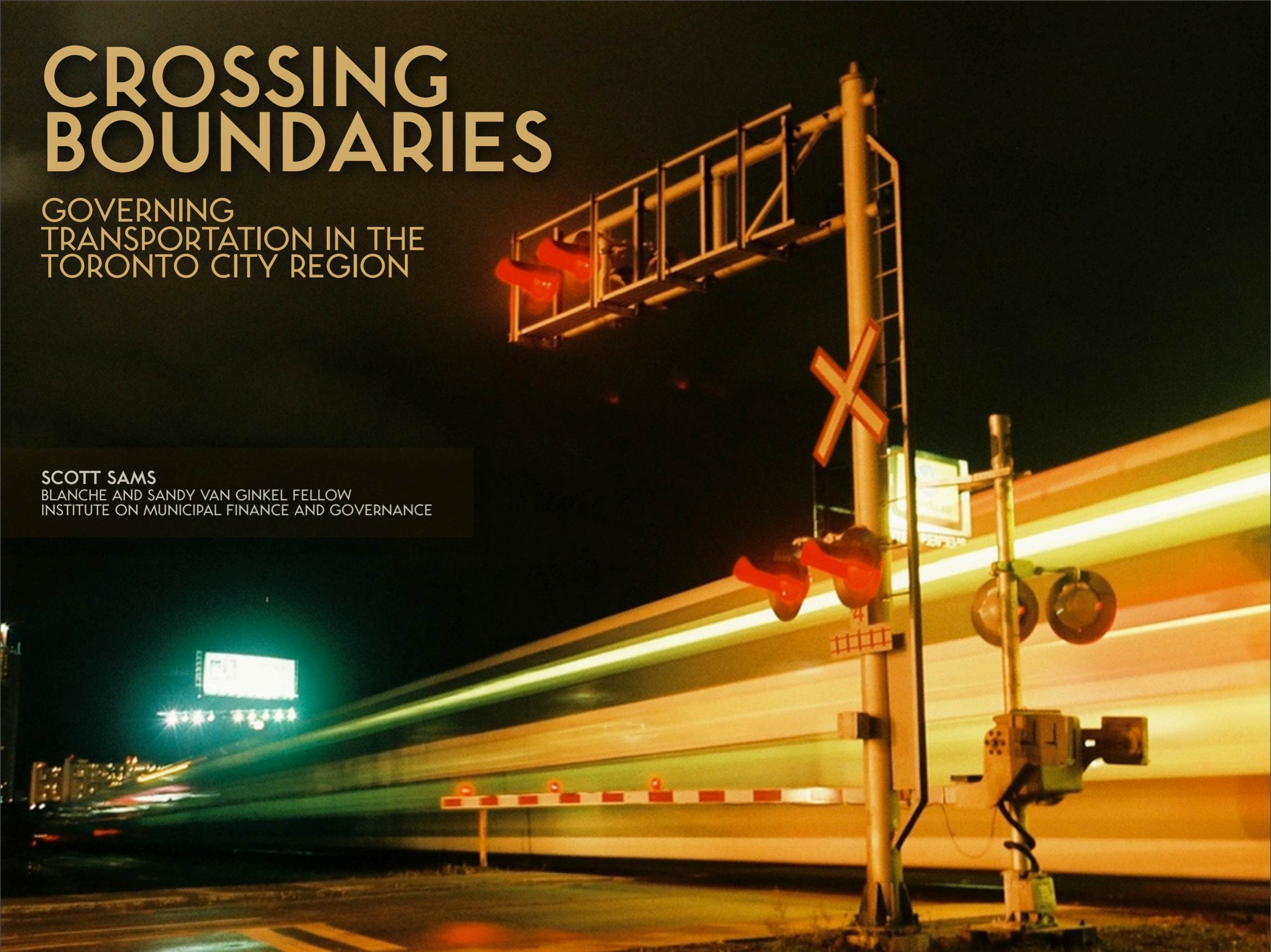


CROSSING BOUNDARIES

GOVERNING
TRANSPORTATION IN THE
TORONTO CITY REGION

SCOTT SAMS
BLANCHE AND SANDY VAN GINKEL FELLOW
INSTITUTE ON MUNICIPAL FINANCE AND GOVERNANCE



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Crossing Boundaries: Governing Transportation in the Toronto City Region

Scott Sams, PhD Candidate, Department of Political Science and Graduate Associate, Cities Centre, University of Toronto.

May 2, 2012, 4–6 PM, Room 208N, Munk School of Global Affairs, 1 Devonshire Place, Toronto.

Please do not cite without permission: scott.sams@utoronto.ca.

- Thanks to Enid Slack and the Institute on Municipal Finance and Governance.
- Thanks to Diamante Development Corporation for funding fellowship.
- Pay tribute to its namesakes, Blanche and Sandy van Ginkel.

- How to finance the Metrolinx regional transportation plan is a hot topic.
- Also interesting that Minister of Transportation (Chiarelli) has stated that the governance question is back on the table.

We forgot how to build cities

Once it seemed we couldn't build subways fast enough. Now we couldn't build them any slower.

Fifty years ago Monday — Nov. 16, 1959 — Leslie Frost, then premier of Ontario, took the controls of a power shovel to mark the start of construction of the University Line.

Toronto's first subway, which ran north up Yonge from Union Station to Eglinton, had opened just five years earlier. In 1958, Metro Council approved plans for a second subway under Bloor; the University route was the first phase of this larger scheme. The budget was



CHRISTOPHER HUME

growth in recent years has come in the form of sprawl.

Along the way, we forgot how to build cities. Cheap oil lulled us into a false sense of security and infrastructure ceased to be sexy.

Now we find ourselves having to play catch-up. According to a re-

and politically difficult. Projects that once cost hundreds of millions ballooned to tens of billions.

Even so, the most significant difference between then and now is political will, which has become as hard to find as funding for public transit. Our leaders have found it simpler to go along with the big lie about tax cuts and ignore transit. The days when the province covered half the TTC's operating costs are long gone.

Gone, too, is the sense of civic purpose that helped Torontonians get through the pain, discomfort and dislocation of constructing the infrastructure. One can only imagine

Wheels falling off the TTC



ROYSON JAMES

One is never sure who most deserves our pity: the TTC, transit workers or commuters relying on a system that

Mind the map? TTC didn't

JESSE MCLEAN
STAFF REPORTER

The CN Tower is a 10-minute jaunt from St. Andrew subway station. But a new TTC map posted at the station doesn't show that. According to the map, the Toronto landmark doesn't exist. Neither does the Rogers Centre or City Hall. The maps, intended to show transit users what city sites are nearby, have been raising eyebrows since they started to appear near three weeks

The St. Andrew edition also has several glaring typos. The Gardiner Expressway is listed as the "Gardiner" and the Toronto Eaton Centre is incorrectly dubbed the "Eaton's Centre."

"It's unacceptable," said Mitchell Kosny, director of the school of urban and regional planning at Ryerson University. "I wouldn't even accept work from my students — I wouldn't even look at it — if it had those types of errors."

redone, said transit chair Adam Giambrone. "Part of the issue is there is no one who oversees map creation... This goes on," he said, adding that he only saw the graphic for Sherbourne station before the maps were released. He expects the corrected versions to be installed in late October. Many of the maps in the city's 69 stations hadn't been updated in

Complaints escalate over TTC repairs

JACK LAKEY
STAFF REPORTER

It's a strength-sapping hike from the street down to the subway at the Yonge-Lawrence TTC station when one of the escalators is out of service.

Of the many TTC complaints directed our way, broken-down escalators are probably the most common. It rightly rubs people the wrong way

posed to be back in action, "but they kept extending the date until they finally gave up and just took it down."

"People must now contend with walking down over 150 stairs. I cannot tell you how many elderly or mothers/fathers with children and people with disabilities struggle to get down the stairs. It is so upsetting and I am really worried that

try level to the platform, which totalled 74, as well as the steps from the street to the entry level, which were another 44. While it's somewhat less than the 150 described, it's far too many for many seniors or people with health problems.

Worse, there are no elevators between the platform and the ground; the

STATUS: Danny Nicholson, who

A region stuck in traffic

It's time to implement large-scale projects to bring transportation system into 21st century

MICHAEL WARREN
TORONTO'S CHIEF COMMUNITY DEVELOPMENT OFFICER

Sixty minutes each way. That's the average commute to and from work in the Greater Toronto and Hamilton Area (GTHA). It is equivalent to three full work-months a year. No wonder there is growing anger and frustration among those who try to move around this region.

The case is apparent. Neither the province nor the area municipalities in the GTHA's transportation system for over a generation. They have tried to accommodate rapid population and economic growth by relying on a decade-old transportation network, one that is collapsing under the weight of endless political rhetoric and inaction.

Congestion and gridlock have become the norm. Transit has lost the battle with the car. As a result, we are suffering record levels of pollution, congestion, air dependence



systems. London's 128-kilometre east-west King's Cross Line is expected to bring \$42 billion to the GTHA economy. It is being developed mainly with private funds. Tokyo, Madrid, Hong Kong and many other cities have used private capital to finance airports, railways and roads.

The largest bridge in the world, the Confederation Bridge that links P.E.I. to the rest of Canada, cost more than \$1 billion. It was financed, built and is being operated by a private-sector consortium. The consortium's investment comes from the toll revenues it receives over a 30-year period. After that, ownership of the bridge reverts to the federal government.

Despite the myriad of successful precedents, the governments responsible for getting the GTHA moving again have been reluctant to seek out private funding. The \$5-billion toll road would involve an element of "user pay." As a result, he said, it would be underfunded and would not be as successful as other transportation projects. He called for "user" infrastructure and the GTHA municipalities to maintain an station. They think that the private capital needs will be

Sweet dreams at the TTC

It's deja vu all over again as employee caught catnapping

JENNY YIEN
TORONTO SUN

The TTC sleep patrol is on high alert.

Two years after photos of a sleeping fare collector made international headlines, transit riders keep snapping pictures of other collectors who appear to be napping.

The latest one was taken Wednesday around 9 p.m. at Sunnyside station and depicts a collector yawning, dozing with his head slumped over in his chair in the booth.

"I needed change for the subway as I saw the TTC employee," he said.

when they're on the job? Boss said the TTC is installing toward a face card system, which will phase out collectors in booths.

Instead, a supervisor will be roaming the stations for customer service and look for deficiencies.

"Anyone who sees a situation that doesn't appear to be right, contact us. We do take these things very seriously," he said.

"I'm not saying, 'Don't go to the media,' people have a right to do that. But I can assure you people don't have to go public to get resolution from the TTC."

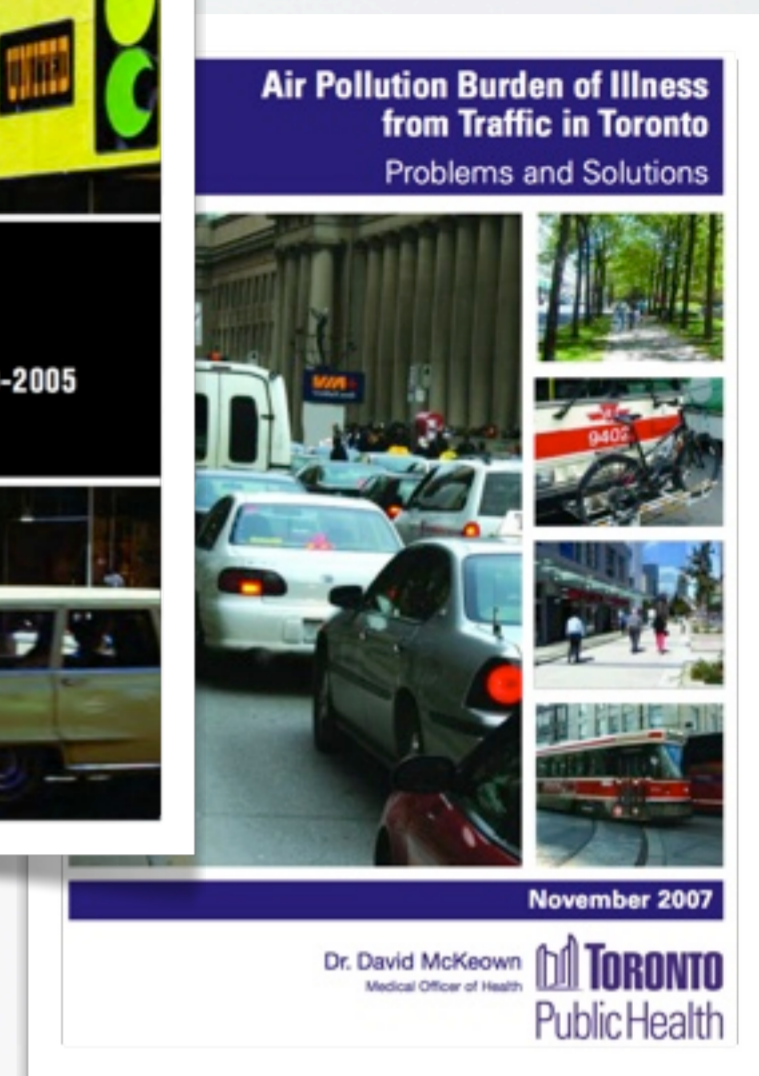
A collector at Sunnyside station Thursday said he didn't recognize the



DRIVEN TO DISTRACTION

Last year proved to be a public relations nightmare for the TTC: ■ In January 2011, a driver was photographed texting while driving the Weston Rd. North bus at 50 km/h. ■ I star that month the TTC

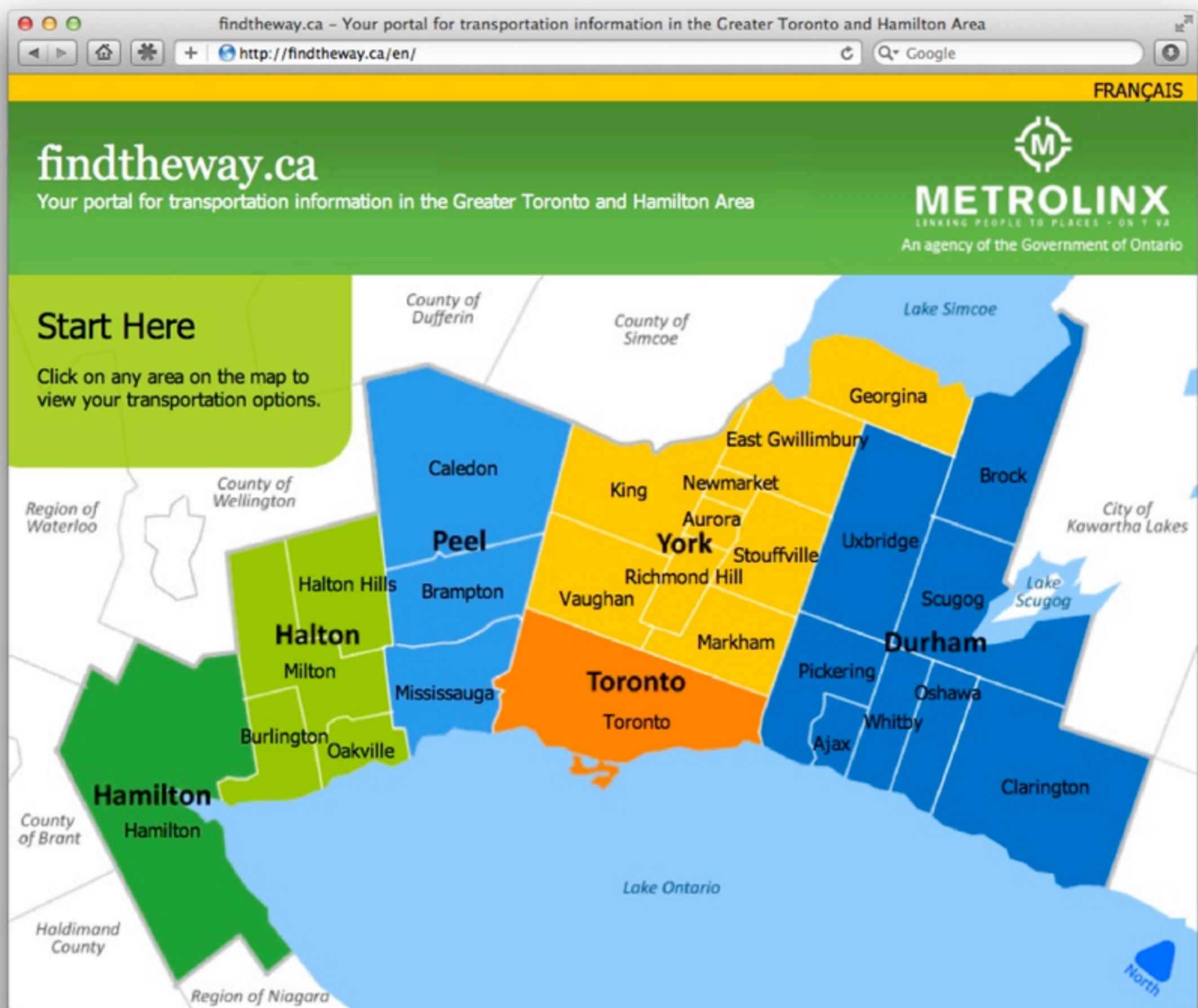
- Why is transportation a hot topic?
- In two years since a TTC collector struck a nerve by falling asleep in his booth, Torontonians have awakened to transportation challenges facing the region.
- Frustration with service quality has broached broader public debate about sustainability of current approaches.
- Perception that "the city that works" has become a city falling behind.
- Toronto suffering from range of transportation-related social, economic, and environmental costs.



- We're familiar with them because they've made the headlines again and again.
- David Hulchanski's analysis of income polarization: poverty has shifted from city's centre to its edges where transit access is poor.
- OECD has pegged productivity losses and economic costs resulting from congestion in the region at \$6 billion / year.
- Toronto's medical officer of health estimated that vehicular air pollution causes 440 deaths and 1700 hospitalizations / year in megacity alone.



- Collective inability to address these challenges has come to be seen as a failure of coordination.
- Just look at slide to see why.
- Satellite view shows region's built environment.
- Rapid urbanization and sprawl over last half century combined with inability of successive governments to manage growth has produced contiguous belt of low-density sprawl stretching from Hamilton to Oshawa.



- Travel patterns don't respect boundaries, but they have proliferated.
- Map shows patchwork of local governments.
- Together, they operate ten local conventional transit systems.
- Responsibility also shared vertically among orders of government and calls for private sector involvement increasingly being heard.
- As region has expanded and number of actors has increased, achieving coordination has become more complicated.

Metro Weather

Cloudy tonight.
High 11C.
Details, A2
Car lights on 7.48 p.m.
and off 6.44 a.m.

THE TORONTO STAR

Established 1892

Wednesday,

April 29, 1987

25 CENTS

(higher outside Metro Toronto
and surrounding suburbs)
March/87 Monday-Friday
paid circulation 511,775

METRO EDITION ★

Province aims to merge TTC, GO

By Alan Christie Toronto Star

Fares and services on the Toronto Transit Commission and GO Transit will soon be integrated, the provincial government has promised.

Yesterday's Throne Speech confirmed that the government intends to amalgamate the services of the two transit authorities.

The TTC recently recommended

North York Mayor Mel Lastman, who plans a massive publicity campaign to try to force Premier David Peterson's hand on the issue.

"It's going to be all-out war," said the mayor, expressing "bitter disappointment" that the speech gave no promise of a provincial go-ahead for Metro's Number 1 subway priority — the \$500 million Sheppard Ave. line, running from

Victoria Park Ave. to the Sheppard station on the Yonge St. line.

"There's lots of stuff on building highways, and how important they are to the provincial economy, but no mention of subways, which are a matter of life and death for Metropolitan Toronto," Lastman told The Star's Michael Best.

Lastman said Metro-area mayors joined Metro Council

Dennis Flynn last Friday in a private meeting with TTC commissioners, at which agreement was reached on a publicity campaign in favor of the Sheppard line in the event the Throne Speech passed it over.

"It's all set to go," said Lastman, adding that the aim is to "get all the people of Metro to wake up the government on the desperate need

- Coordination problem not a new one: have been talking about it since 1960s.
- This Toronto Star article from 1987 proposes merging GO Transit and the TTC.
- Continued "failure" to address range of coordination problems has renewed that call.

 **TORONTO Motion 11****Amend Item**

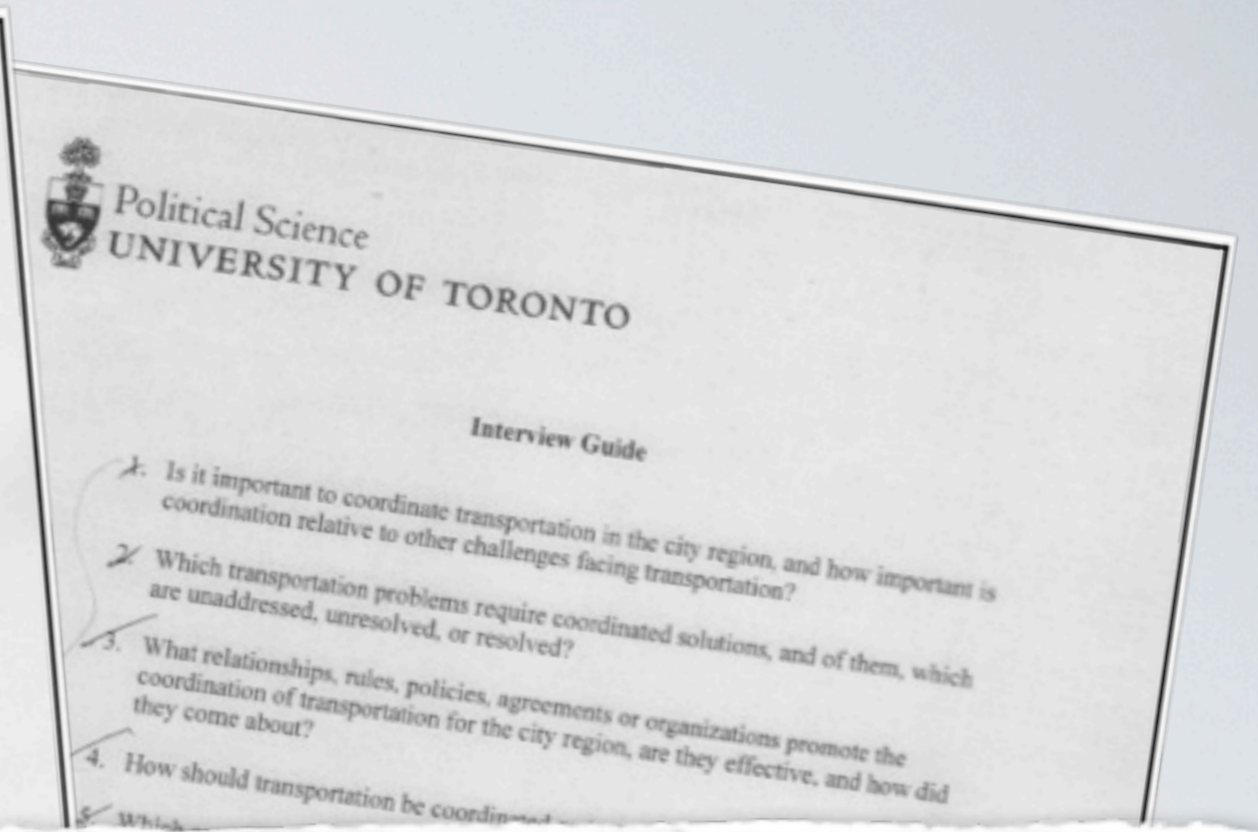
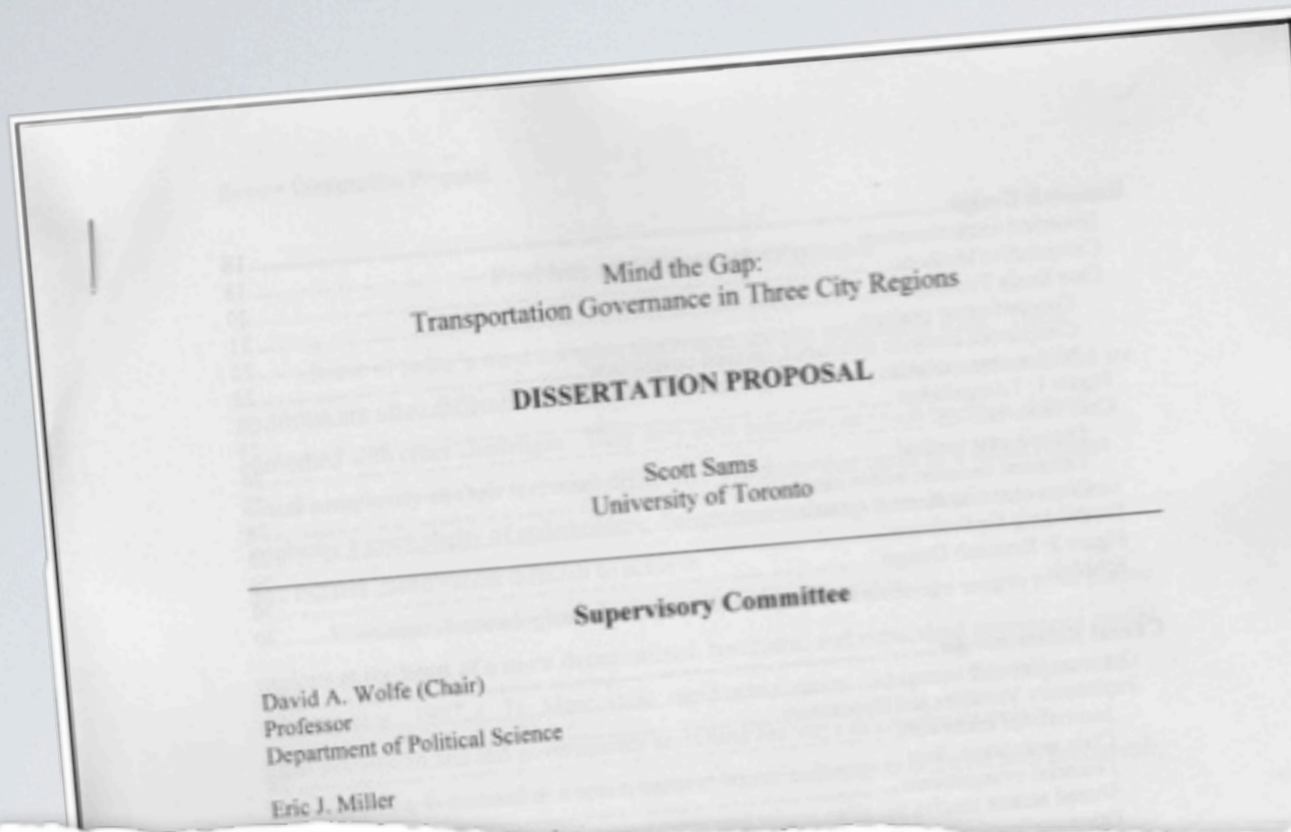
Date: **Monday, March 5, 2012**
Item: **2012.EX16.8**
Moved by: **Councillor Frances Nunziata**

Vote Required: **Majority**

That the Executive Committee recommendations be deleted and that City Council adopt the following instead:

- 1. City Council request the Province of Ontario to transfer responsibility for the Toronto Transit Commission to Metrolinx.**

- Toronto councillor (Frances Nunziata) introduced motion at March council meeting asking province to assume responsibility for the TTC.
- Media has reported that mayor Rob Ford's staff raised idea of takeover in discussions with Queen's Park.
- As mayoral candidates, George Smitherman and Rocco Rossi talked about uploading parts of the system.



What factors promote or impede the regional coordination of transportation?

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What is the potential role for funding or incentives to promote coordination?
Have governments been able to deliver on their platforms or promises with respect to transportation? Why or why not?
By other factors or considerations affect transportation coordination?

- Research objective: determine what factors promote or impede regional coordination or transportation.
- Project on transportation generally, but this talk focuses in on transit specifically.
- Approach employs multiple measures including primary document research and interviews.
- Interviews with key informants involved in transportation including: senior public servants, politicians, and leaders from community and private sector.
- Questions informed by theory and background research and include: the range of problems that require coordination and their state of resolution, the role of politicians, the public, the private sector and civil society, and how coordination can be promoted.



LONDON



SAN FRANCISCO



TORONTO

- Comparative study of London, San Francisco and Toronto regions – each with different histories, contexts, approaches to governance, and success in addressing coordination.
- London is in a unitary state; authority over transportation is centralized in a regional authority.
- San Francisco’s experience is influenced by the principle of local home rule, and a history of coordinating transit systems through regional agency that dates back to 1970s.
- Toronto’s history replete with fragmented authority and unrealized attempts at coordination.
- This talk a chance to share early and tentative insights before going abroad to work on the others, and to receive input.



**1. COORDINATION DOES NOT REQUIRE
AMALGAMATION**

**2. THE GOVERNANCE MODEL WILL AFFECT
THE OUTCOME**

**3. FINANCIAL TOOLS CAN BE USED TO
PROMOTE COORDINATION**

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– Three early insights informed by research:

1. Coordination does not require amalgamation;
2. The governance model will affect the outcome;
3. Financial tools can be used to promote coordination.

– Remainder of presentation walks through these insights.

– A place to start, not ready-made solutions to complex governance and finance challenges facing region, so will also raise questions about next steps.



1. COORDINATION DOES NOT REQUIRE AMALGAMATION

- Start out by discussing transit's local and regional implications, before tracing genesis of fragmented region that does a better job of reflecting local preferences for it than dealing with its regional implications.
- A surprising amount of coordination does take place in spite of fragmentation.

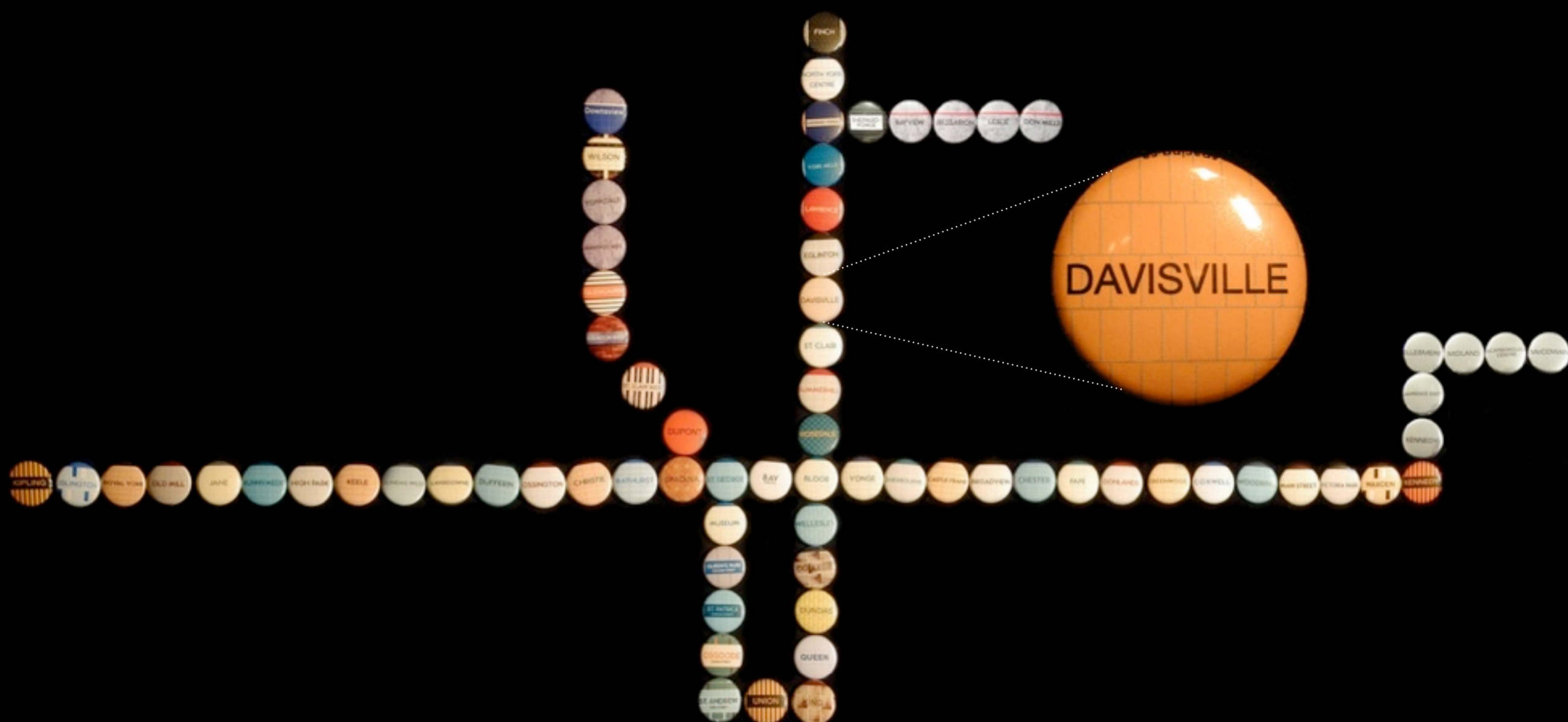


Image used under Creative Commons from striatic

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- Focus of recent debate on transit's regional implications – elements that require coordination like cross boundary services, fare integration, etc.
- Local implications less emphasized but not unimportant (which these buttons that carry the name and tile pattern of local subway stations draw attention to)
- 85 percent of all transit trips in Toronto region taken by TTC; many don't cross municipal boundaries.
- Demand for transit varies widely across region: Caledon and Halton Hills, for instance, do not have a local conventional transit system.
- In other low-density areas where ridership is low, a larger per-ride subsidy required to provide poorer standard of service than the TTC offers Toronto residents.
- It is clear there are issues of regional coordination that could be better addressed, but current arrangement does show a degree of responsiveness to local needs.

“...a tension we are condemned to live with because modern societies need to strike a balance between these principles rather than to treat them as mutually exclusive.”

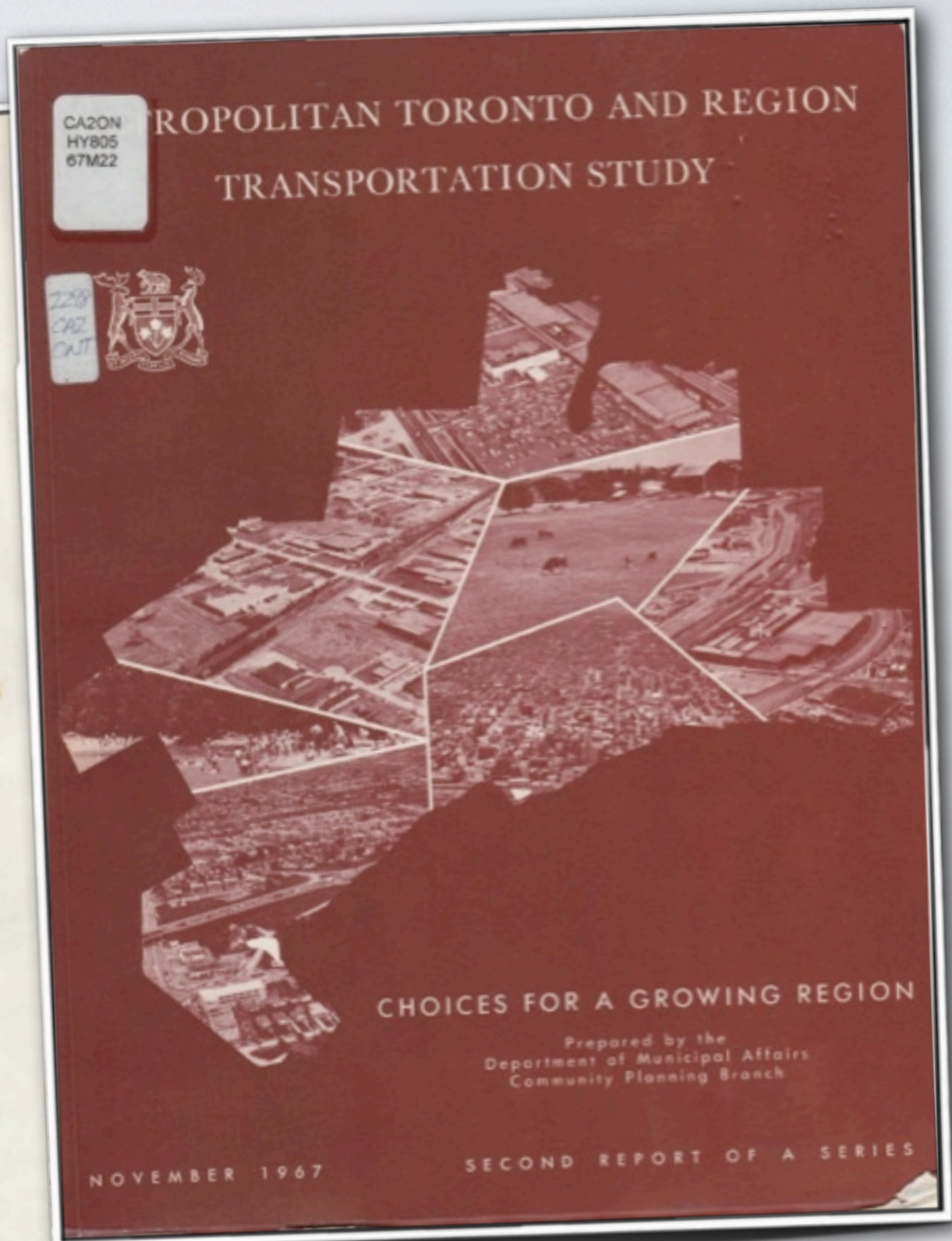
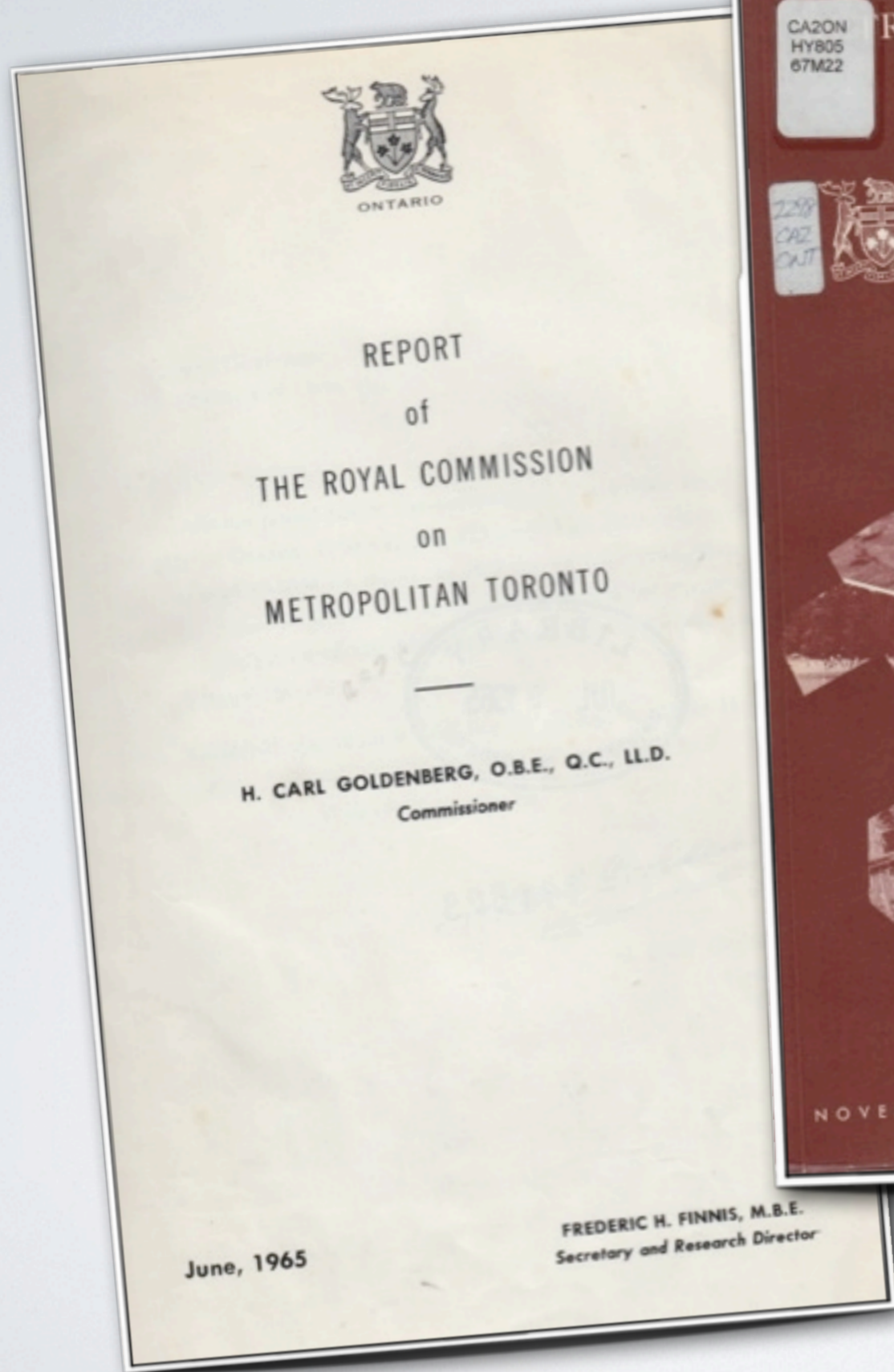
- Kevin Morgan

- Tension borne out in classic local government debate between consolidation and fragmentation of municipalities within a metropolitan area.
- Consolidationists argue city region needs shared public institution to address common issues: presumed to be more effective at coordinating services, addressing externalities, sharing costs, achieving economies of scale.
- Advocates of fragmented systems argue they are more democratic and responsive to local needs, and that almost every service has a different optimal size which favours forms of inter-municipal cooperation.
- Kevin Morgan puts it well by characterizing this enduring debate as “a modern analogue of the age-old tension between democracy and equality, diversity and uniformity, decentralization and centralization, a tension we are condemned to live with because modern societies need to strike a judicious balance between these principles rather than to treat them as mutually exclusive.”

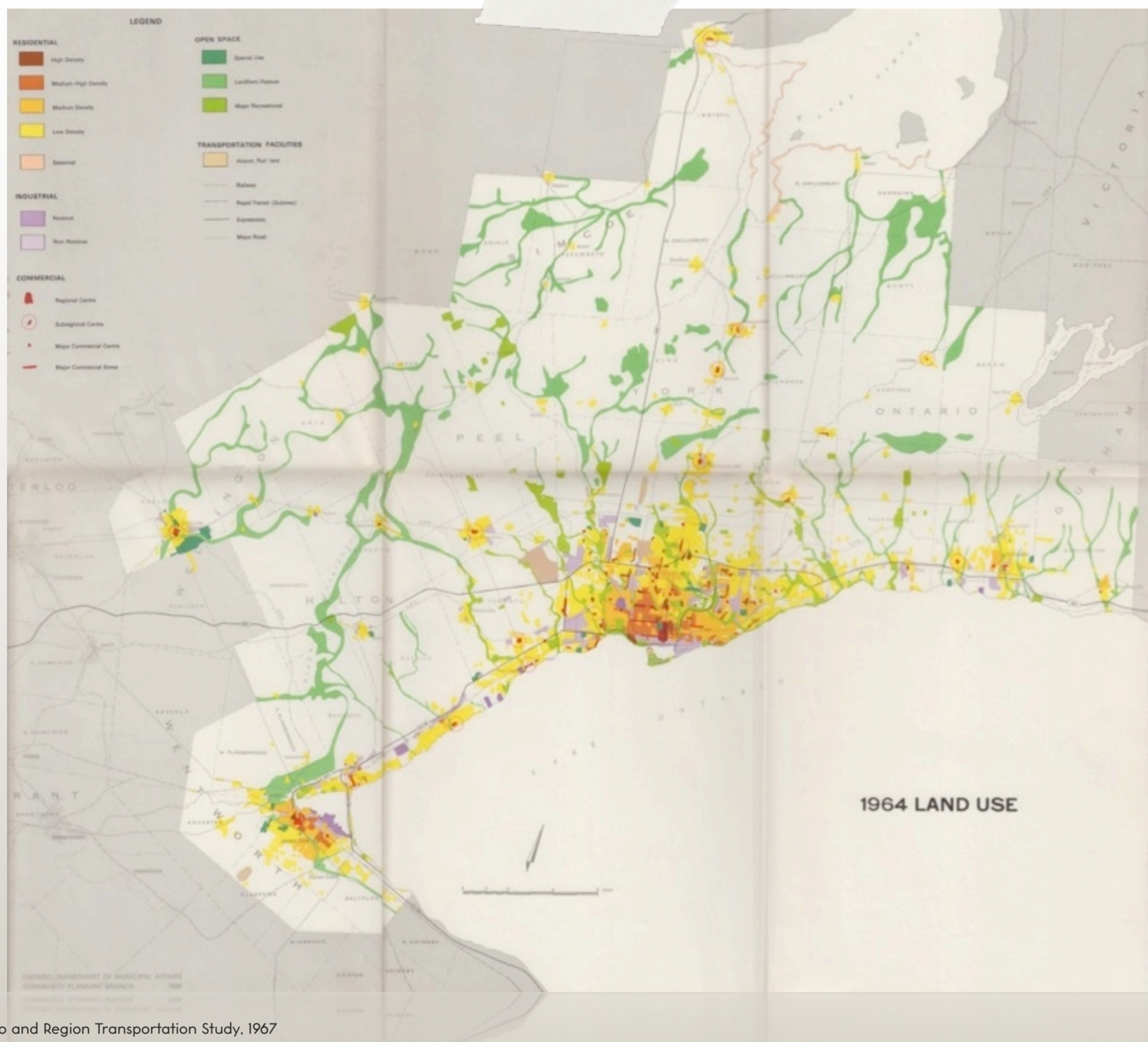


Gray Coach Lines Terminal and Gray Service Coach
 City of Toronto Archives, Fonds 16, Series 71, Items 9217 and 3821

- Metropolitan or multi-tiered local government an attempt to address tension by establishing different municipalities to deal with local and crosscutting issues – however, services like transit not so easily dichotomized.
- When Metro Toronto formed in 1954, transit regarded to be within metropolitan remit and assigned to agency of the upper-tier municipality.
- Decision had drastic implications for its development.
- Photos taken around 1930 of suburban coach operated by TTC on service-for-cost basis and of coach terminal on bay that today remains a wholly-owned subsidiary of TTC.
- Prior to Metro’s formation, TTC would operate services like these only on self-sustaining basis.
- Metro’s early years saw expansion of bus and subway service into low-density suburbs at a loss, partly due to fact that suburban interests came to dominate council.
- Long-standing plans for a subway to replace streetcar along heavily travelled Queen Street shifted to back burner.

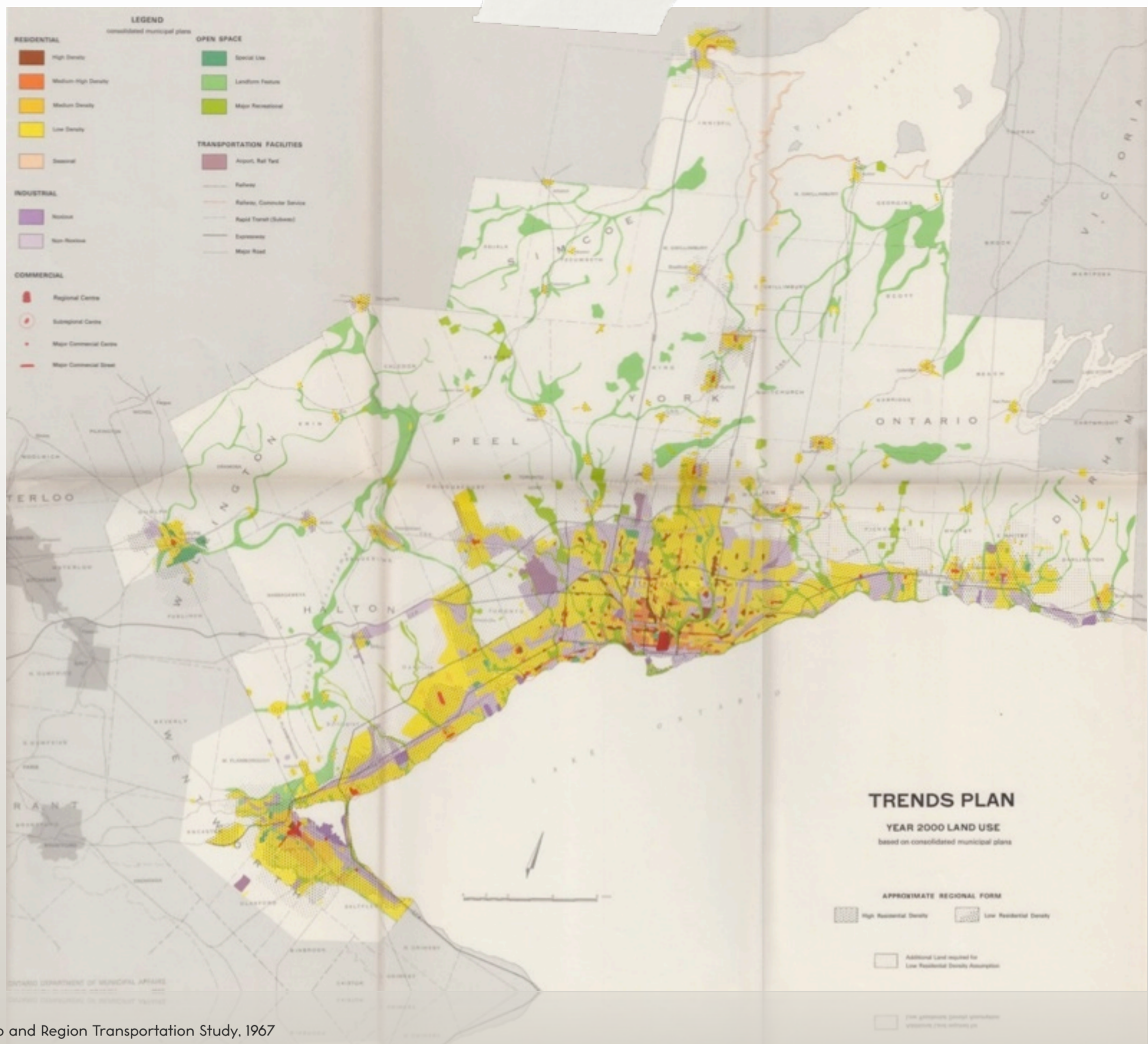


- By early 1960s becoming clear that growth occurring on Metro's fringe.
- 1965 Goldenberg Royal Commission called on provincial government to expand Metro Toronto planning area to address it.
- Two years later report of Metropolitan Toronto and Area Transportation study came to similar conclusions.



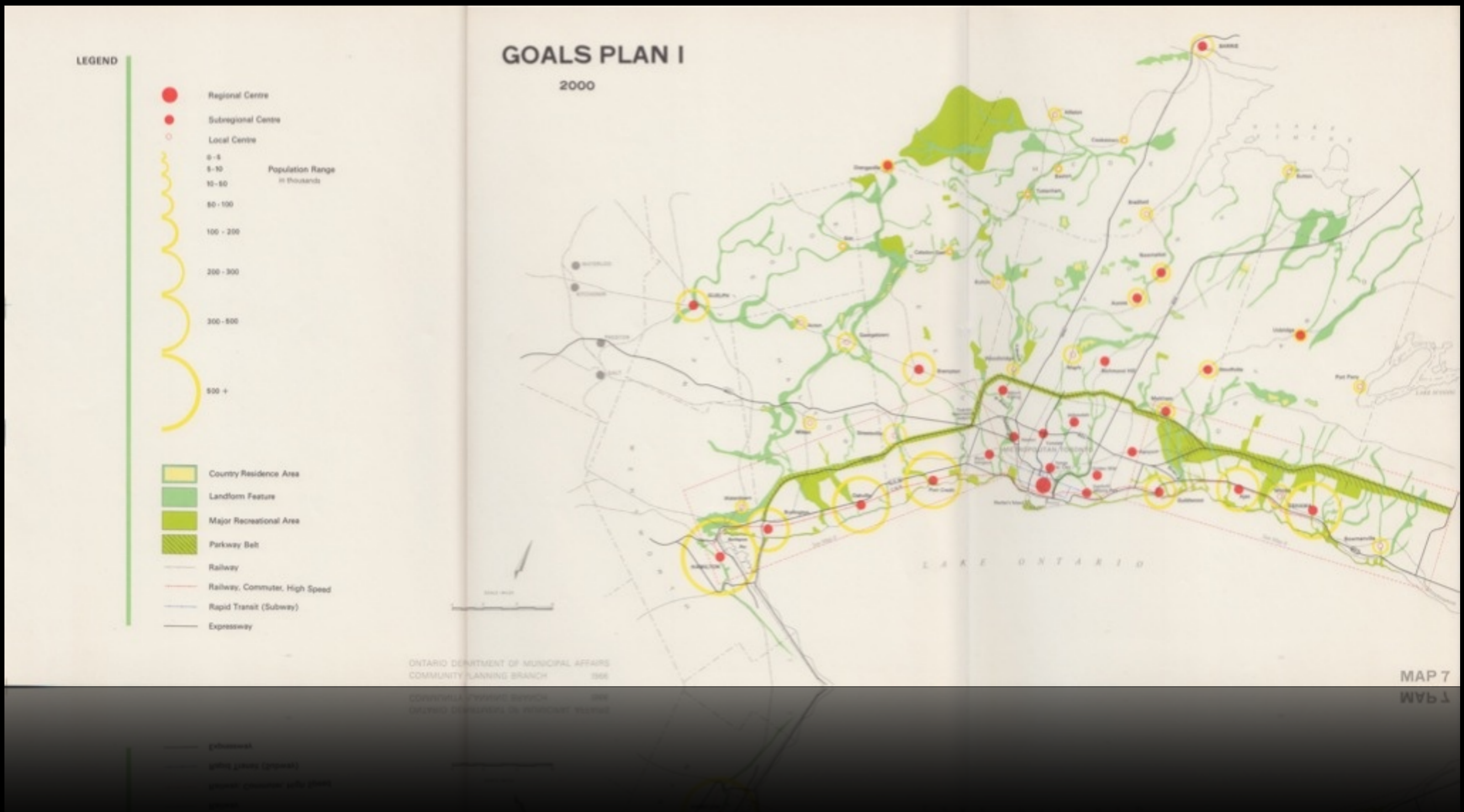
Metropolitan Toronto and Region Transportation Study, 1967

- This map from latter study shows actual land use in 1964.
- Metro Toronto largely self-contained at this point, but beginnings of low-density sprawl evident - particularly extending along the lake, but also northward.



Metropolitan Toronto and Region Transportation Study, 1967

- Writing was on the wall.
- This map illustrates the “trends plan” – development pattern the study concluded would occur by year 2000 based on existing municipal plans.
- Not too far off of what exists today: large swaths of low-density sprawl forming almost continuous band from Hamilton to Oshawa.



Metropolitan Toronto and Region Transportation Study, 1967

- Study also set out four “goals plans” like this one that plans for a series of compact corridor cities with development concentrated near the lake constrained by a “parkway belt” in order to limit it and make transportation more efficient.
- This vision of development formed basis of planning in the 1970s.
- Unbeknownst to planners of the time, would be the origin of coordination problems region faces today.

DESIGN FOR DEVELOPMENT: The Toronto-Centred Region

- Growth in the Toronto-Centred Region would take place primarily in a broad band along the shore of Lake Ontario between Hamilton and Oshawa in the form of distinct, identifiable communities.



- For instance, 1970 Toronto-Centred Region Plan would have structured growth into series of regional centres secondary to growth in Toronto.
- Growth would take place along lake in form of distinct, identifiable communities.

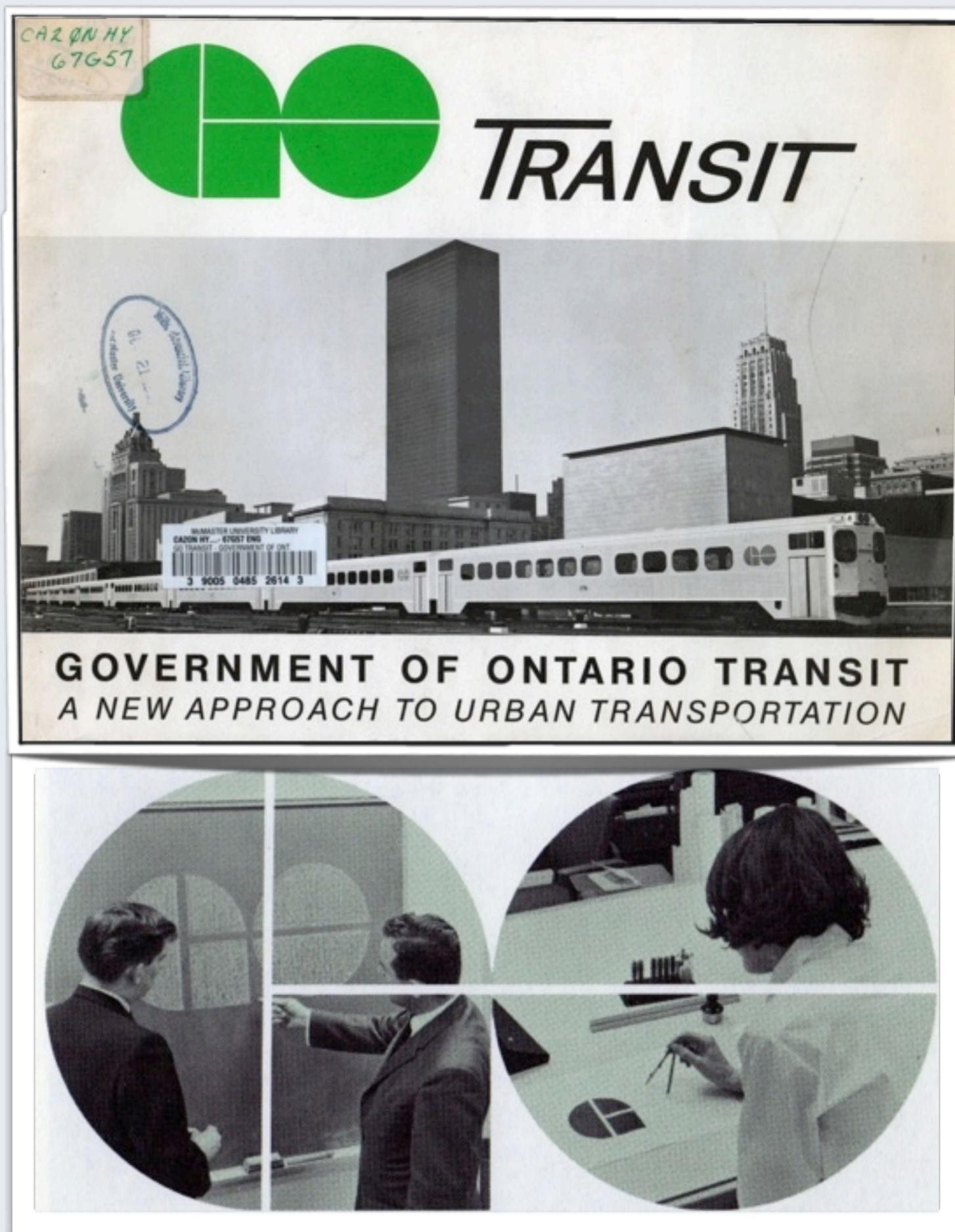
III. REGIONAL MUNICIPALITIES

An important step towards managing growth in the Toronto-Centred Region effectively was the establishment of regional municipalities in areas where urban development pressures were most pronounced. The government's regional government program is motivated, in part, by its desire to encourage a more orderly approach to planning over broad geographical areas. The Acts which

Toronto-Centred Region Program Statement



- Four regional governments or "mini-Metros" set up around Toronto to encourage orderly approach to managing development pressures in growth areas.



- Based on recommendation of Metropolitan Toronto and Region Transportation Study, commuter rail service established in 1967 to link communities along the lakeshore.
- A runaway success. In its first year, GO Transit carried 2.5 million passengers.



Toronto, 1967
Government of Ontario Transit: A New Approach to Urban Transportation

- 1967 photo of Toronto's central business district.
- Senior GO official remarks that comparison of this photo with today's downtown illustrates its importance to Toronto's economic growth.
- But also blamed for encouraging urban expansion.



Royal Commission on Metropolitan Toronto, 1977

- Ultimately, well-intentioned attempts to thwart unstructured sprawl failed.
- Toronto region expanded roughly as trends plan had predicted, but with local government structure premised around a development scenario that would never come to be!
- Provincial government did little to enforce Toronto-Centred Region Plan; some of its actions may have exacerbated sprawl.
- For example, it supplemented highly successful lakeshore GO train with service north toward Georgetown and Richmond Hill in 1970s.
- Local politicians vying for development in regional municipalities around Toronto saw the plan as little more than provincial meddling, partly because they didn't have a hand in its creation.
- By 1977, the Robarts Royal Commission would observe Metro's relationship to the region in some ways resembled relationship between City of Toronto and its suburbs at time Metro was created.
- Photos from that report taken at intersection of Markham and Ellesmere Roads, near Metro's northern boundary. Photo on the left taken after Metro was created; photo on the right taken just twenty years later but shows it almost completely built out.

clear from the views expressed by many during the Commission's work that there is widespread opposition to any expansion of Metro's jurisdiction. It is also the policy of the provincial government that the present Metro boundary remain unchanged.

Report
of the
Royal Commission
on
Metropolitan
Toronto



Metropolitan Toronto
A Framework
for the
Future

John P. Robarts, P.C., C.C., Q.C. Comm.

population increase.

It is assumed that the present external boundary of Metropolitan Toronto will remain the same.

The consideration of major alterations in the external boundary of Metropolitan Toronto was not explicitly included in the Commission's terms of reference, and it is clear from the views expressed by many during the Commission's work that there is widespread opposition to any expansion of Metro's jurisdiction. It is also the policy of the provincial government that the present Metro boundary remain unchanged.

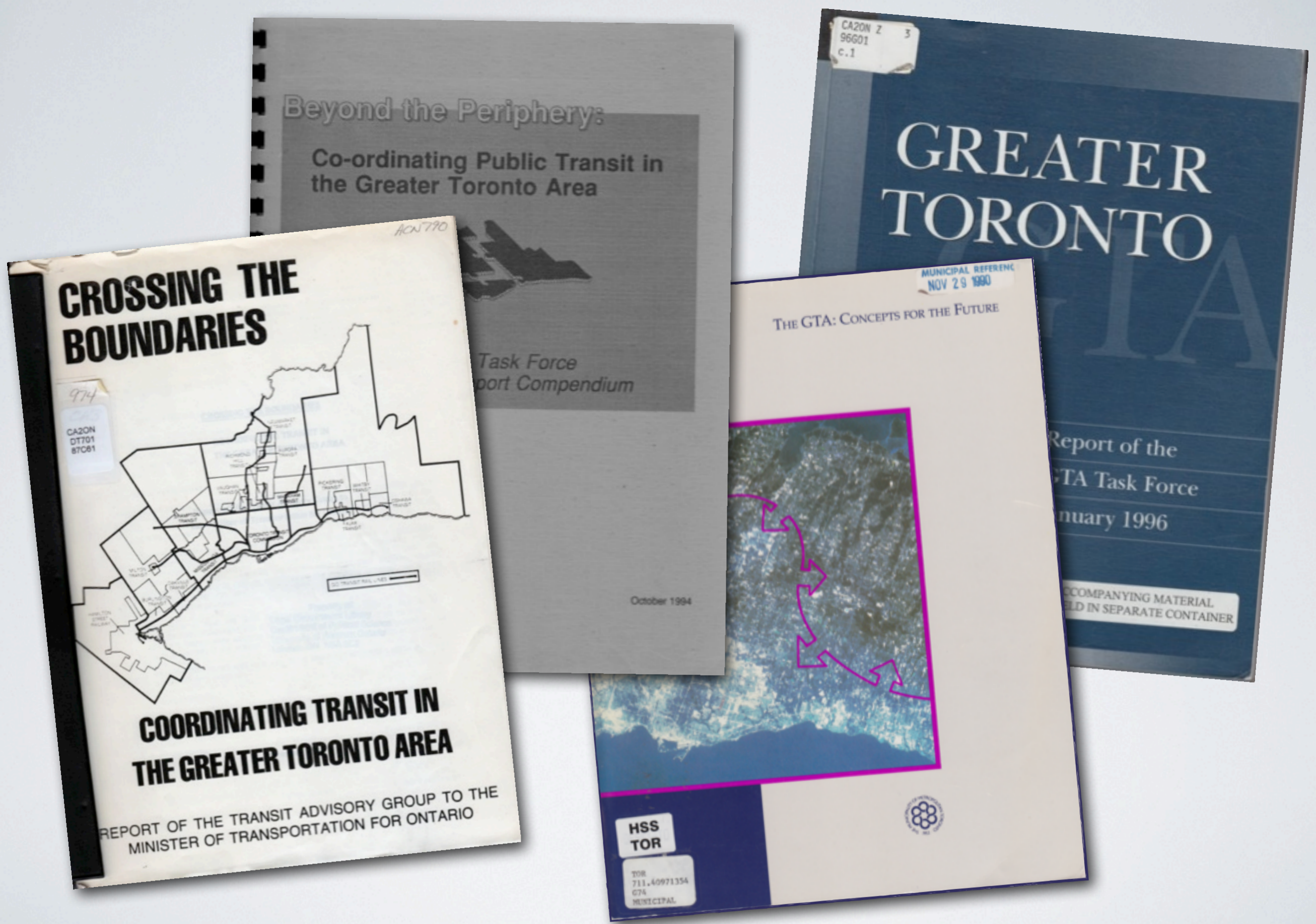
There are valid reasons for this view. It has been argued that the regional municipalities of Peel, York, and Durham have been created only recently and should be allowed to develop and consolidate before any boundary changes are considered. In addition, evidence given to the Commission showed that much of the taxable assessment and population of these surrounding regions and their constituent municipalities is located in the area immediately adjacent to the Metro boundary. Severe disruption in the finances and services of those municipalities would result from any loss of territory to Metro.

Stopping the expansion of Metro's land area will have a significant implication for the provincial government. There is a conventional wisdom in local government that major metropolitan areas must have room to breathe, so that their own governments can provide new physical services, transportation, housing, recreation, and other facilities in a planned manner. The provincial government has assumed a number of these responsibilities (for example, trunk sewers) in the central Ontario region. The Commission believes that the acceptance of the present Metro boundaries must result in the provincial government playing an even stronger role in the development of this region. This role can be harmonized with that of local government in the area by the establishment of the regional coordination machinery suggested in this report.

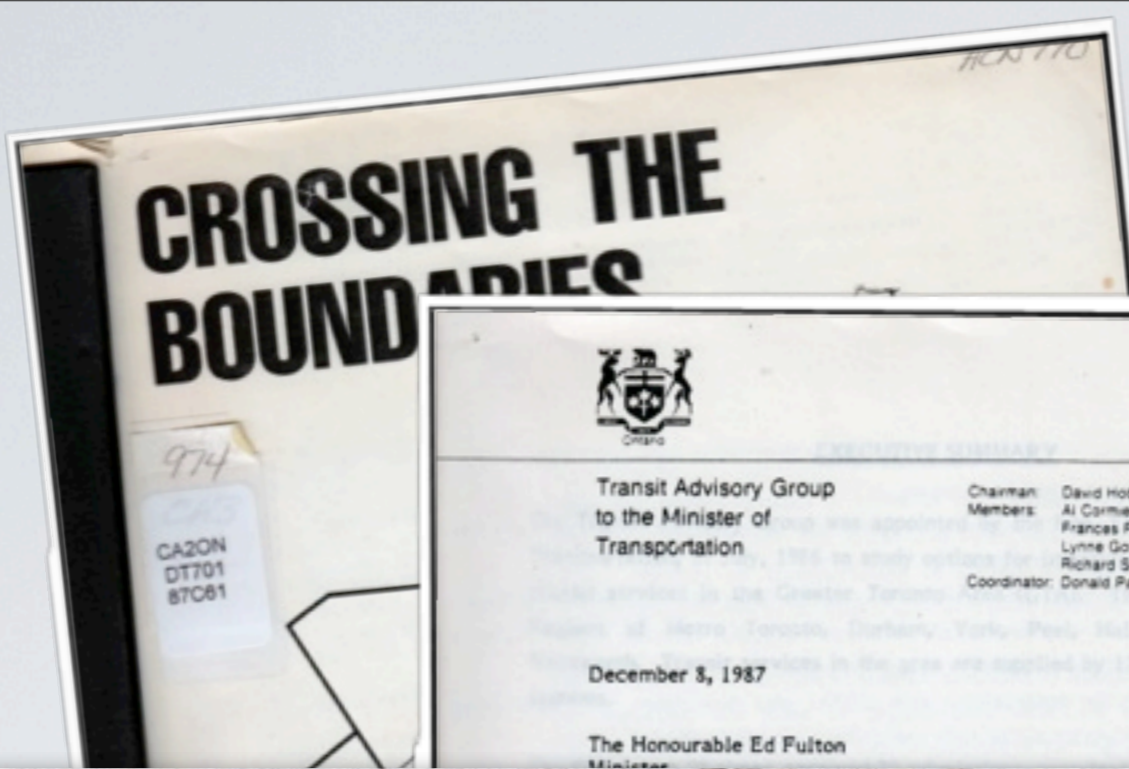
For the system of government within it, the impact of accepting the current Metro boundary is enormous. With the major physical facilities in place and little further growth to service, the local government system will become increasingly concerned with redevelopment, conservation, and the preservation and improvement of the quality of life in this large, stable city. Growth in tax revenues resulting

region. The Commission believes that the acceptance of the present Metro boundaries must result in the provincial government playing an even stronger role in the development of this region. This role can be harmonized with that of local govern-

- Commission's terms of reference precluded changing Metro's boundaries, but it did recommend creating a Toronto Region Coordinating Agency comprised of representatives of local and regional councils.
- Province rejected recommendation and took position that cross-boundary issues were its responsibility.
- By this point, provincial government establishing itself as regional government for whatever Toronto was growing to be.
- To that end, Commission also called on provincial government to play a stronger role in region's development.



- Recommendation to create Toronto region coordinating body echoed again and again in reports from variety of sources in decades to come.



Crossing the Boundaries

Transit Advisory Group
to the Minister of
Transportation

Chairman: David Hobbs, Deputy Minister
Members: Al Cormier, Frances Frisken, Lynne Gordon, Richard Soberman
Coordinator: Donald Paterson

Suite 205
719 Yonge Street
Toronto, Ontario
M4Y 2B5
416 323-9909

December 8, 1987

The Honourable Ed Fulton
Minister

superagency because the TTC, GO Transit and most of the other systems are individually excellent. Instead, we recommend that your Ministry should assume a more active role in coordinating the systems, and that you should establish an Inter-Regional Transit Coordinating Agency as an advisory body to assist in the process.

As a result of the work, we have concluded that present organizational arrangements are not adequate, but there is no need to create a transit superagency because the TTC, GO Transit and most of the other systems are individually excellent. Instead, we recommend that your Ministry should assume a more active role in coordinating the systems, and that you should establish an Inter-Regional Transit Coordinating Agency as an advisory body to assist in the process.

The time is ripe for such improvements, because only a few of the coordination challenges are now urgent and there is still time to deal with the rest before they become serious. It is clear that these challenges will have to be met if the area is to further its worldwide leadership in transit.

We hope this report will help you bring about better transit service for the cross-boundary traveler.

Yours sincerely,

David Hobbs
Chairman

Al Cormier

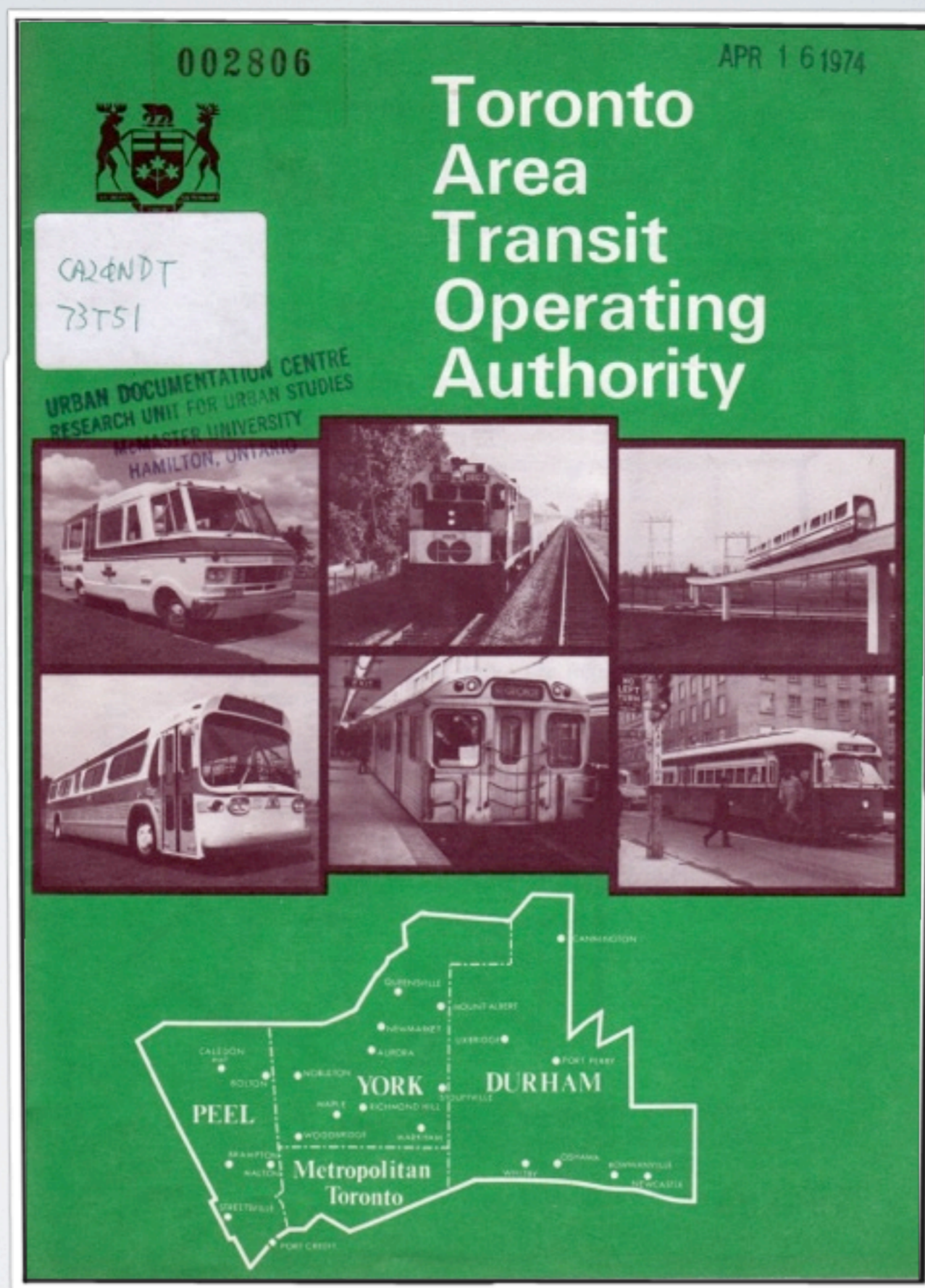
Frances Frisken

Lynne Gordon

Richard Soberman

Crossing the Boundaries: Coordinating Transit in the Greater Toronto Area, 1987

- Like this one, most concluded a coordinating body was the preferred approach because it allowed for regional planning and locally responsive services.
- Most also repeated Robarts Commission's call for more active provincial role in coordinating transit systems.
- Recommendations were ignored many times for lack of funding.

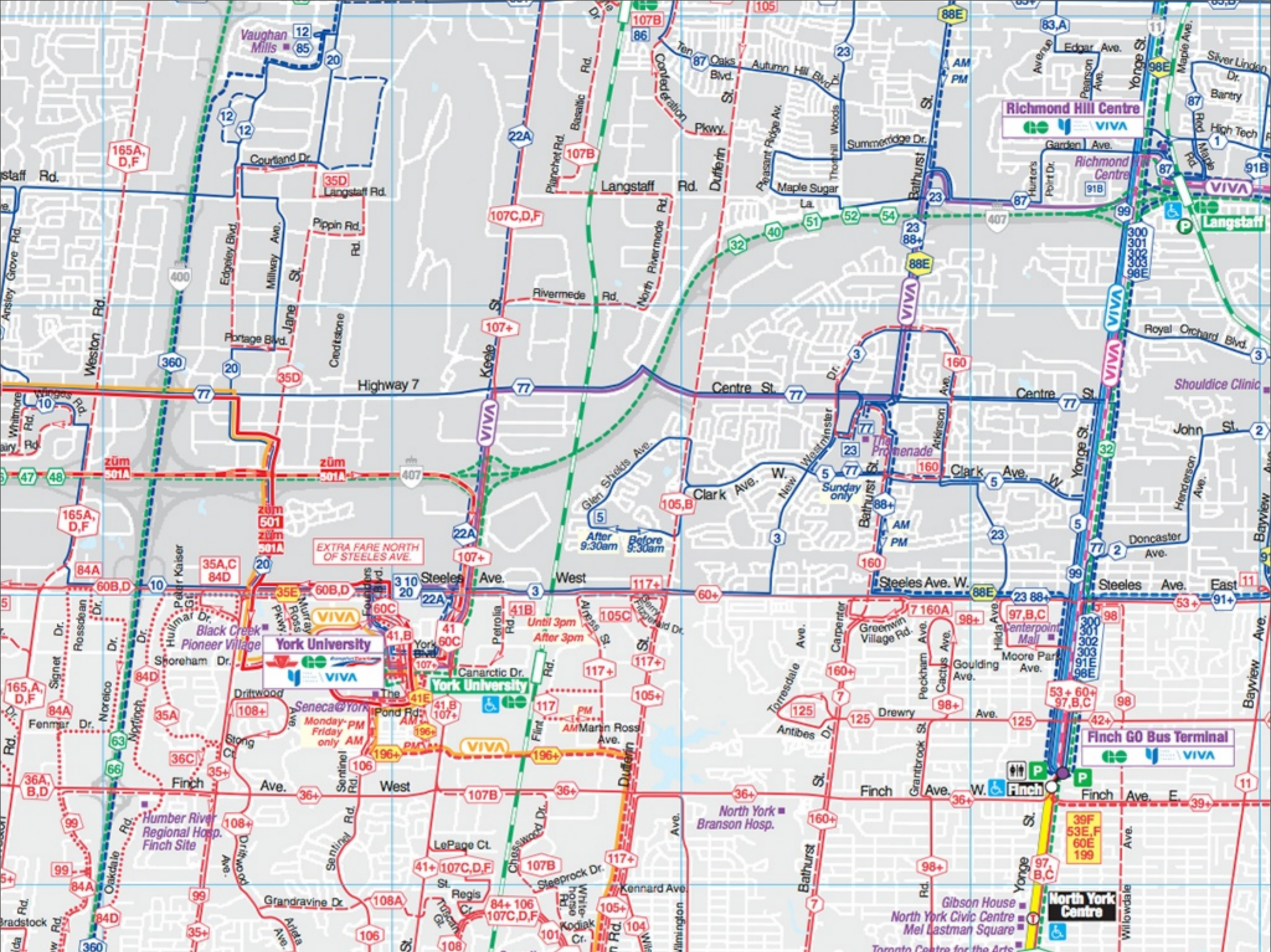


But there were a couple of false starts:

- Toronto Area Transit Operating Authority created in 1973 to coordinate 15 separate local transit systems with GO Transit.
- Premised on idea that local municipalities would upload transit systems to regional governments, but having not been consulted many refused to and the Authority became nothing more than an operator of GO rail and bus service.
- Another false start occurred with 1998 creation of Greater Toronto Services Board, ironically because provincial government wanted out of transit altogether and needed body to operate GO Transit.
- This, too, was a short lived experiment.
- Some members wanted to take on additional regional coordinating responsibilities, but dissolution attributable to at least three reasons:
 - (1) some regional chairs serving on board felt it threatened their authority over services;
 - (2) provincial government unwilling to allow regional government to emerge, particularly after having rejected that option in favour of amalgamating Toronto;
 - (3) resistance on part of development industry concerned about additional red tape a new government might impose



- Current provincial government has taken active interest in land use and transportation planning in Toronto region.
- A key step was creation of Metrolinx to lead coordination, planning, financing and development of integrated transportation transportation network.
- Within that mandate it has developed regional transportation plan and is investigating approaches to finance and governance.



- However, despite region's historically fragmented local government structure and the **outward** appearance of ill-coordination, a number of coordinative arrangements have emerged.
- This TTC map shows certain routes (in red) extending north of Steeles and past Toronto's municipal boundary, primarily along major north-south arterials like Keele Street.
- For 25 years the TTC has operated these routes under contract to York Region.
- Used by over 13,000 customers daily.
- Regional municipality pays full operating cost of the service outside of Toronto based on actual proportional costs of operations and capital.



Image used under Creative Commons from wyliepoon

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- Toronto-York Spadina subway extension another example.
- Service north from Downsview to Vaughan Metropolitan Centre expected to begin in late 2015.
- Joint task force comprised of staff of City of Toronto and the Regional Municipality oversee construction.
- Both municipalities, and the provincial and federal governments fund project.
- Operating costs and revenues to be borne by TTC.
- Illustrates that coordination does not require amalgamation: some impressive examples of coordinative behaviour are taking place in a fragmented city region.
- Within it, a number of local transit systems do a fairly good job of meeting varied local service needs but could to a better job of seeing the “big picture” to meet regional needs.
- How to move from ad hoc or one-off examples to sustained and regional approach?



2. THE GOVERNANCE MODEL WILL AFFECT THE OUTCOME



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- Governance can be structured to promote coordination.
- Will review two common governance proposals advanced in support of that objective:
 - (1) that influence of politicians over transit be limited;
 - (2) that the number of actors with a veto over plans be reduced through amalgamation.
- Each has limitations; will conclude with a third, under-explored but promising approach to encourage cooperation within existing politics and framework of multi-level governance.

Sheppard subway in jeopardy, Flynn fears

By Michael Smith and Jim Byers Toronto Star

Metro's ambitious subway plans may have to be scrapped. Metro Chairman Dennis Flynn has warned, because the province is refusing to commit the necessary millions of dollars.

Without provincial money, he said, the \$2.7 billion Network

disappointed that this week's Throne Speech by Premier David Peterson's Liberal government failed to mention Metro's transit plans.

Flynn will ask Metro Council today to approve a toughly worded report that calls the Network

a meeting with Peterson as soon as possible

Flynn has been strongly criticized by some Metro councillors for not taking a strong enough stand with the province

ing lapel buttons to transit riders, a barrage of citizens' letters and phone calls to Queen's Park, petitions and billboard

U.S. cities copy GO Transit, NDP cuts it back

By Greg Gormick SPECIAL TO THE STAR

For more than a quarter-century GO Transit has been known as a little train that could. But a weekend, it will become a train that doesn't for many of southern Ontario.

A series of service cuts, in GO by the provincial NDP government that has long painted the friend of public transit today. Extensions that the GO to put into service trimmed off. Full, all-day the recently expanded L will be throttled, revenues GO has made credible, day-long alternative automobile. Cuts to round out this dreary North American effective interregional

more than 125,000 southern Ontarians. That's nearly 10 times as many as used GO when it went into service in 1967, bucking the trend to the

To understate it, the cuts to GO seem ill advised. While the TTC continues to lose riders month after month, GO has held its own through the recession. Ridership is up this year and GO has just posted its sixth consecutive month of growth on its

to be a real benefit in attracting and holding riders."

Despite much initial skepticism, Tri-Rail's GO-style operation is so successful that Jacksonville, Orlando and Tampa/St. Petersburg all want their own copies. And, in the face of a failed attempt to get a high-speed intercity rail passenger system going, there is now a proposal to build the

way, streetcar and trolley bus lines which have opened or are under construction throughout the region. And the system's appetite for more equipment will be fed with more GO-style coaches from Thunder Bay and locomotives from London.

Other areas which will be implementing carbon copies of GO will be San Diego and Dallas, Texas. Cities such as Seattle and Denver are also interested in knock-offs.

The irony is that GO could be growing right along with these new systems. GO already has the plans for the expansion of its rail network into one that runs hourly in both directions all day long. Plans for electrification of certain lines and plans for the addition of new routes, such as one that would come out of Pearson International Airport, slice across the middle of the city on an existing CP

Tories derail Eglinton subway

But \$945 million Sheppard line gets go-ahead

By BRUCE CAMPION-SMITH TRANSPORTATION REPORTER

Work on the Eglinton West subway line will continue into the fall as workers fill holes, relocate utilities and patch up the street — all jobs that must be done to stop a subway line, at least for now.

As expected, the Progressive Conservative government yesterday announced it will delay the massive Eglinton subway project but continue with the \$945 million subway line on Sheppard Ave. E. in North York.

"We will proceed with transit projects in a phased approach, beginning with the Sheppard subway line in Toronto," Finance Minister Ernie Eves said.

"We are deferring the Eglinton West project until the province and Metro Toronto have sufficient funding to proceed," he told a news conference.

The true impact won't be known for days or even weeks, but it means uncertainty and unemployment for many of the 1,200 people working on the line.

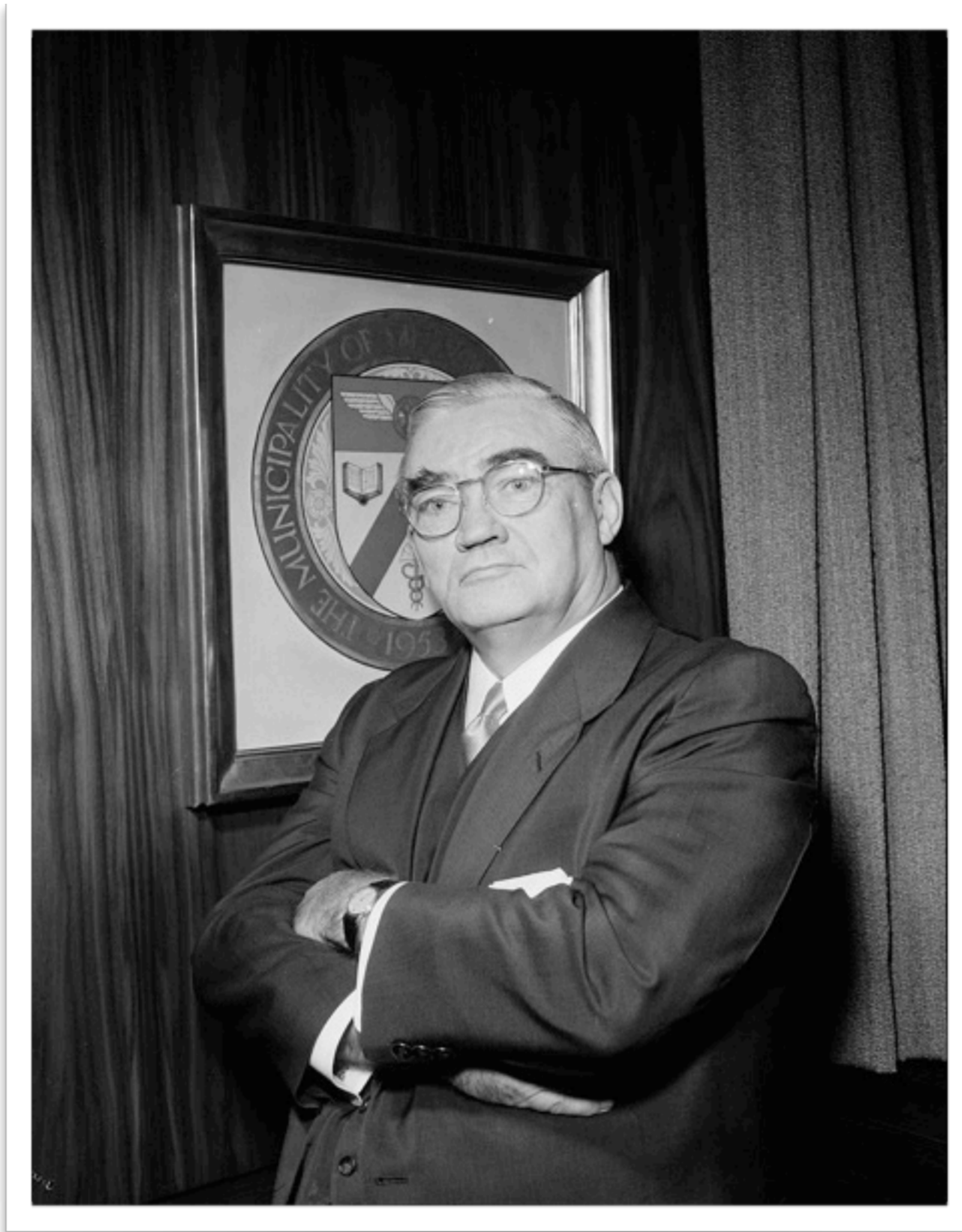


- Toronto Star columnist Christopher Hume has written that every aspect of transportation is political, and that this has long been the downfall of public transit in Toronto and area.
- This legacy of political interference goes back a long way.
- Newspaper clippings describe provincial cutbacks to transit made through the 1980s and 1990s made by governments of all political stripes.
- Perhaps most stunning was Harris government's cancellation of Eglinton subway after construction had started at a cost of \$40 million to backfill the hole, in addition to \$50 million already spent on the project.



Opening of Construction, 1959
City of Toronto Archives, Fonds 1567, Series 648, Item 17

- This kind of intergovernmental squabbling nothing new: it dates back to Toronto's first subway!
- In 1946 referendum, Toronto's voters approved construction of two subways on condition that federal government subsidized projects by 20 percent.
- Funding never materialized so TTC only built one of them.

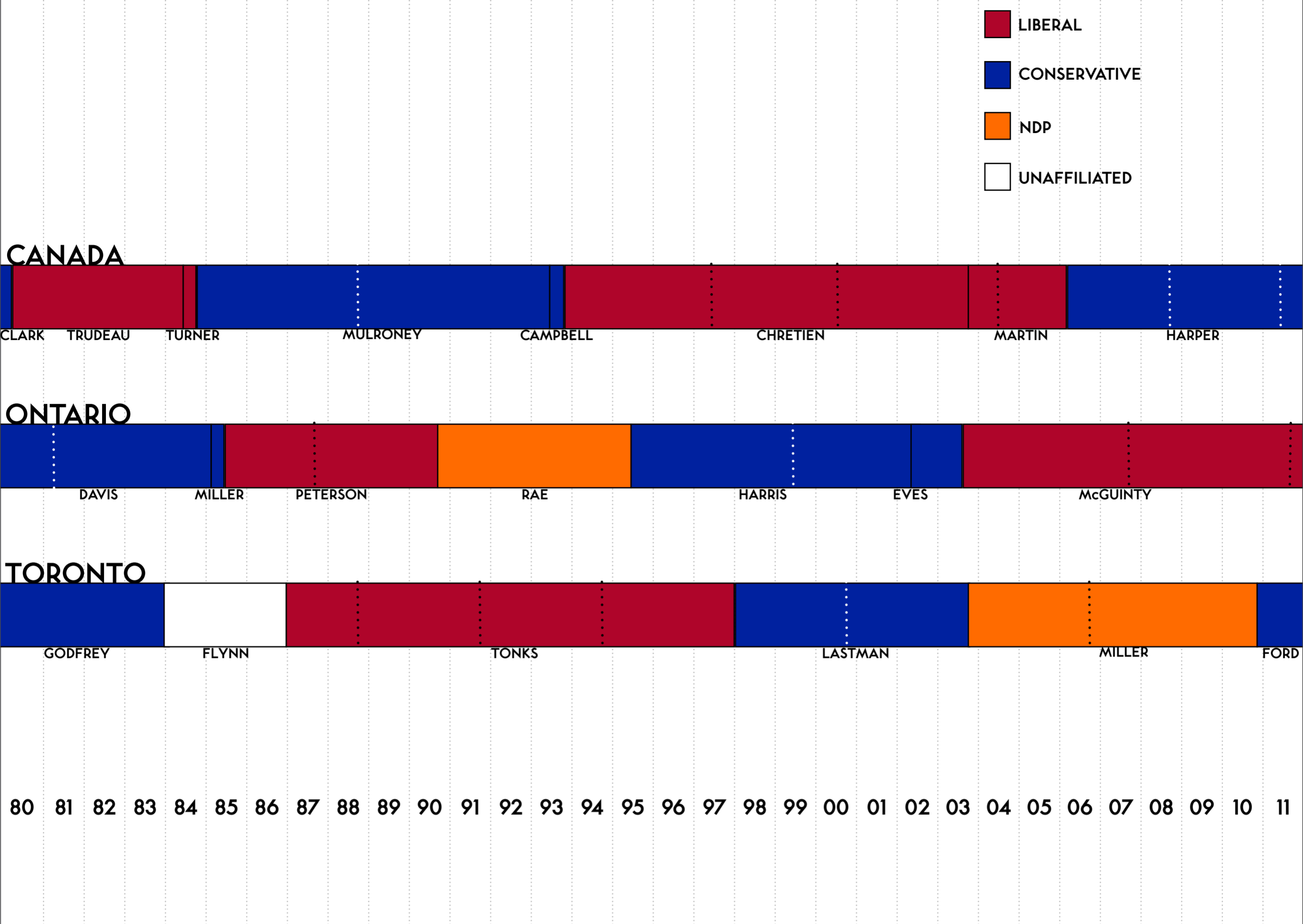


Fred Gardiner
City of Toronto Archives, Fonds 1653, Series 2262, Item 32745-1

– Although first Metro Chairman, Fred Gardiner, became an advocate for subway constructions, his attempts throughout the 1950s to secure federal and provincial funding for new lines were unsuccessful.



- Authority for transit lies not only with local municipalities, but also with other orders of government and sometimes with the private sector.
- Debate between fragmentation and consolidation of local government has focused on horizontal integration of municipalities, but largely neglects vertical coordinating among orders of government and horizontal coordination of non-state actors.
- Even a consolidated local government encompassing the entire city region would find it difficult to go it along on transit.
- Implies necessity of collaboration and a shift from government to governance.
- However, problems can occur where more than one order of government is active in a policy field and where each has a veto over the plan.
- The large capital dollars required for transit infrastructure renders it difficult for any one order of government "go it alone" without impinging on other priorities: by its nature, the problem requires multi-level governance.
- Policies that rely on multiple governments can become fraught with blame; progress can be slow if it happens at all.

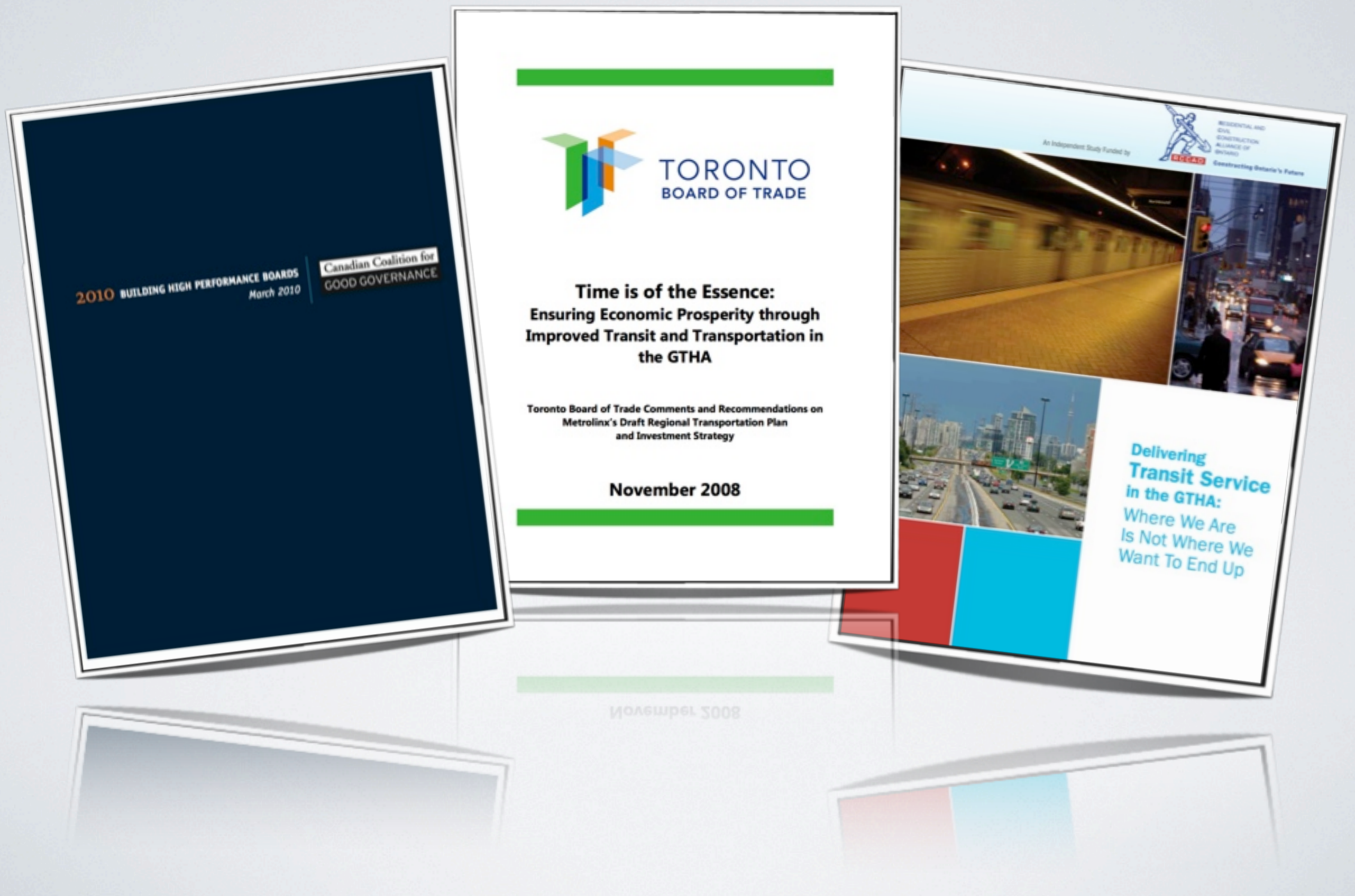


- This slide depicts political affiliations of prime minister, premier, and most senior local leader between 1980 and 2011.
- Solid vertical lines represent changes in leadership; dotted lines represent elections that occurred while a leader was in office.
- A couple of caveats:
 - (1) Local politics ostensibly non-partisan, so while known prior political affiliations noted, this is not meant to infer the will of council.
 - (2) Prior to Toronto's 1998 amalgamation, Metro Chairman used as its most senior political figure, simply because the TTC was under Metro's jurisdiction.
- Exceedingly uncommon for leaders with same political affiliation to be in office at more than two orders of government concurrently.
- Longest uninterrupted period where there was neither an election or leadership change at one of the orders was about two years, and one usually happens more often.
- So not surprising that achieving coordination difficult when actors and priorities change so frequently.
- Picture becomes much more complex when you consider that there are multiple local transit systems operated by municipalities in the Toronto region.

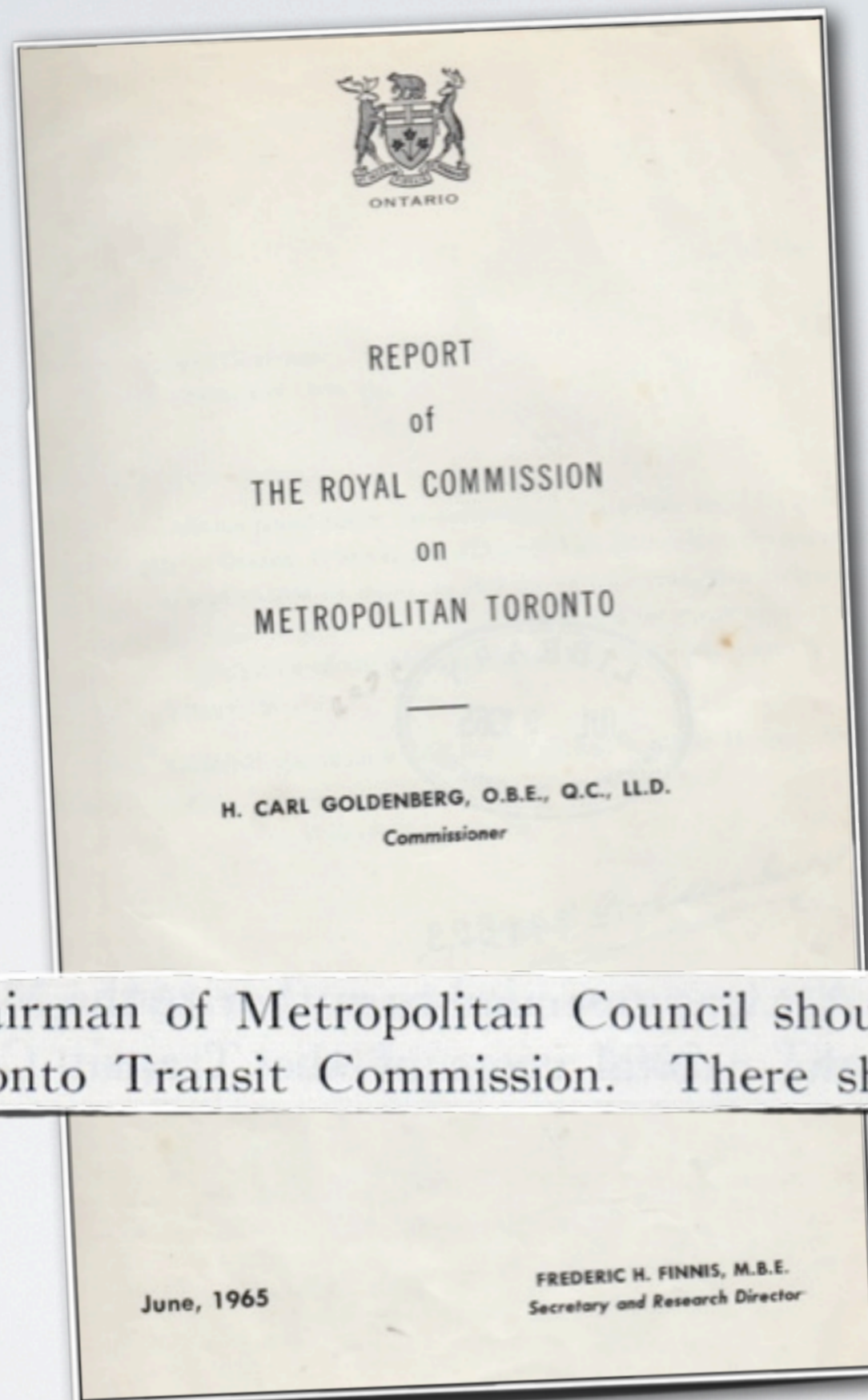


Metrolinx Board of Directors
The Big Move

- In order to make progress, must overcome the veto that any one actor has over it.
- Two common proposals are (1) try to limit influence of politicians over transit, or (2) consolidate authority for it with single order of government. Consider each in turn:
 - Provincial government nominated new Metrolinx board in 2009 comprised entirely of non-elected individuals with staggered terms.
 - Majority of first board (pictured here) comprised of local politicians who together guided the development of regional transportation plan.
 - Interviewees with experience with boards noted that change in composition corresponded with shift in emphasis from visioning to implementation: provincial government wanted to put a board in place with technical expertise, that could speed up the process and get money flowing to process.
 - Also concern about parochialism on part of local politicians.
 - Similar approaches have been taken elsewhere:
 - British Columbia replaced board of local elected officials that governed TransLink, the Vancouver region's transportation authority, in 2007. New board comprised of non-political experts appointed by provincial government, although Mayor's Council of 21 local representatives approves its plans.



- Many reasons to appoint non-politicians to the boards echoed in reports on this slide. Among them:
- (1) Appointment of members with expertise or experience in transit-relevant areas like engineering, urban planning, or finance.
 - (2) Board can continue its work through election cycles and changes in political agendas.
 - (3) Without obligation to specific constituency, non-elected members might avoid parochialism and discover regional sense of purpose.



To this end, the chairman of Metropolitan Council should ex officio be a full member of the Toronto Transit Commission. There should also be a more

- Difficult to get politics out of transit in practice:
- Historical example: TTC was intended to be quasi-independent commission of Metro Toronto and was self-supporting based on fare box revenue when Metro was formed.
- Once Metro started to take on debt to fund subway construction, influence of politics became apparent.
- 1965 Goldenberg Commission observed that although TTC was quasi-independent in law, Metro council had determined its fare structure and the course of development of rapid transit facilities; concluded this was the necessary result of tax revenues paying more than 40 percent of the system's development costs and recommended more direct control of it by Metro politicians.
- Early experience paralleled twice recently:
 - (1) TTC Chair Karen Stintz stated in media that municipal politicians should be put back on Metrolinx board if province expects cities to cooperate in raising tolls or taxes needed to expand public transit.
 - (2) In Vancouver, local mayors rejected increases to TransLink's property tax funding because of concerns over governance structure that has limited their oversight of operations.
- Seems clear that balance must be struck between involvement of politicians and experts; but there is little prospect of a purely expert-driven process so long as governments are footing the bill.

“Those who promoted transportation... plans for the Toronto region often said that the success of any regional strategy depended on the cooperation of governments.”

- Frances Frisken

- Second common proposal to consolidate authority for transit in the region
- Promising option from standpoint of achieving coordination because it theoretically eliminates many of the political actors that had a veto over plans.
- Amalgamated authority would have to be self-sustaining to insulate itself from demands of other governments.
- Consolidation with a single order of government (provincial, for example) would still mean transit is affected by provincial priorities.
- Early Metro experience demonstrates a consolidated system opens a Pandora's box of transit finance: local needs and services vary widely across the region, and demands to extend and improve services could only be avoided if taxation was assessed in accordance with level of service provided.
- Both solutions bring about their own problems.
- If it is accepted that multi-level character of governance will always play a role in transit, a third but under-explored option is to think about how actors can be encouraged to cooperate within existing framework.

3. FINANCIAL TOOLS CAN BE USED TO PROMOTE COORDINATION

- Debates over finance and governance intertwined.
- Brief review of how transit financed, demonstration of how financial tools can be used to achieve “quick wins” for coordination, and discussion of their longer-term potential.



The TTC Story: Metro Transit System, 1960
 City of Toronto Archives, Fonds 1567, Series 648, File 67

- TTC historically recovered operating costs entirely from fares; provincial government required it to be self-supporting in early days.
- Achieved this by refusing to provide service in areas lacking high enough densities to make it cost effective, and by imposing a higher tariff on suburban riders travelling downtown.
- Map shows fare zones. These were introduced in 1954 when TTC assumed responsibility for transit in much larger Metro area.
- By 1950s, the Commission's finances took a triple hit:
 - (1) Took on debt related to subway expansion;
 - (2) Incurred higher costs after being required to provide services to lower-density suburbs;
 - (3) Despite service expansion, ridership declined nearly 40 percent during Metro's first decade largely as a result of the automobile.

Expenditures *	\$1,507 Million
Revenues	<u>1,039 Million</u>
	468 Million
2011 City Operating Subsidy	<u>429 Million</u>
Shortfall	<u>\$ 39 Million</u>

2011 City Operating Subsidy	<u>429 Million</u>			
Shortfall	<u>\$ 39 Million</u>			
<p>* Includes no provision for the impact of the yet-to-be determined Collective Bargaining Agreements effective April 1, 2011. Each 1% increase in wages/benefits equals about \$10 million annually in the TTC Operating Budget.</p> <p>3) Note that staff will be working to develop a multi-year plan, in consultation with City of Toronto staff, to establish a fare/subsidy strategy taking into consideration appropriate targets for ridership levels, service initiatives and revenue/cost ratios;</p> <p>4) Forward this report to the City of Toronto requesting approval of:</p> <p style="margin-left: 20px;">(a) the required 2012 Transit Operating subsidy to the TTC;</p> <p style="margin-left: 20px;">(b) confirmation of the establishment of an additional long-term subsidy receivable in the amount of \$13.68 million to cover post-retirement benefit non-cash expenses for 2012 consistent with previous accounting treatment approved by Council, and;</p> <p style="margin-left: 20px;">(c) confirmation of the establishment of an additional long-term subsidy receivable in the amount of \$14.0 million to cover accident claims non-</p>				
				528
				737
				(808)
				107
				<u>4,666</u>
				71,156
				<u>38,990</u>

- Transit operating budgets started to rely on government subsidies as well; provincial and municipal subsidies became a fixture of transit finance.
- Provincial operating subsidies at one time were quite significant: varied on population size, but eliminated entirely in 1997.
- Ontario made one-time contributions to TTC operating budget in three years during last decade; a portion of Ontario gas tax revenue was diverted from capital to operations between 2006 and 2009 but this practice ended.
- Today the City bears the Commission's entire operating subsidy.
- Unlike many other countries, federal operating subsidies nonexistent.
- Federal government has consistently provided capital subsidies over last decade, however have been ad hoc, often project-specific, and highly variable. No national public transit strategy.
- Ontario government has provided capital subsidies to TTC every year since 2002; has committed to invest \$9.5 billion in transit projects in Toronto region through Metrolinx and regional transportation plan.



The Chair expressed concern about the declining revenue to cost ratio (R/C ratio) and the R/C ratio in other municipalities. She requested clarification from staff about this matter.

venue, and total operating revenue. She reviewed the financial performance for the 2008 GTA Revenue/Cost (R/C) ratio for transit systems. She noted the higher the ratio the better. She also noted that DRT recognized an R/C ratio of 40%, up from 38% in 2007.

- Transit industry's key performance metric is ratio of revenues to operating costs.
- Simplistically can be thought of as fare box recovery ratio: fraction of operating expenses covered by passenger fares.
- Remaining costs are covered by subsidies.
- Historically, a high fare box recovery ratio has been considered an indicator of high performance.
- By this metric, the TTC is a runaway success. System's fare box recovery of around 70 percent is among highest of transit systems in the world.
- However, reliance on fare box also renders system sensitive to fare losses associated with coordinative behaviour, particularly when local taxpayer is funding operating subsidy.

Greater Toronto SECTION 07
11550000
AUG 19, 2011
Number 100

SIU CLOSES G20 INVESTIGATION
No one else will be charged in the alleged beating of Adam Nobody, GT3

'ALL I DID WAS ASK FOR HELP'
Government agency turns woman's life into a nightmare, GT3

Put budget on table, councillors urge Ford
Public works committee avoids endorsing cuts in transit report

IQT SOLUTIONS 'BANKRUPTCY'




Woman 'held hostage' on Mississauga bus ride

TESS KALINOWSKI
TRANSPORTATION REPORTER

Danielle Casha had heard the stories about bad customer service on transit.

But the Mississauga woman hadn't experienced any close encounters of the rude kind herself until last Monday, July 11.

That's the day Casha says she was quite literally "held hostage" on a Mississauga MiWay bus — trapped

by an obscure cross-border service agreement between Mississauga and the TTC.

The subsequent exchange with the bus driver left Casha so humiliated, she didn't want her picture published.

A frequent rider on both Mississauga Transit and the TTC to her downtown job as a property manager, Casha said the incident took place as she was heading home on

the Mississauga bus.

The bus had just left Islington station when she got a call informing her of a family emergency.

Her husband, nearby in their car, suggested she get off immediately. Casha headed to the back door of the bus.

It stopped at Auckland Dr. and picked up passengers, but the back door didn't open.

"At first I thought it was me, being

distracted with the phone call and worried about the emergency," wrote Casha.

So she rang the bell and waited for the next stop but was surprised when the back door again failed to open, although people were boarding.

Rattled, Casha asked the driver why she couldn't get off.

BUS continued on GT4



A Mississauga MiWay bus.

Woman 'held hostage' on Mississauga bus ride

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BUS continued on GT4

NEWS

TEEN AVOIDS HEAD-ON COLLISION

Effective driver training is proven to save lives.

Young Drivers

- Inflammatory headline belies serious point about state of coordination.
- Article details experience of woman prohibited from alighting from a Mississauga Transit bus travelling inside Toronto's boundaries as a result of cross-border service agreement prohibiting each system's buses from picking up or dropping off outside designated stops in each other's jurisdiction.
- Known as "closed-door" operation, designed to ensure each system recovers fares for service in its boundary.
- In practice, also results in half-empty buses passing people at stops and necessitates separating buses at subway stations since TTC riders can transfer directly to subway.
- Senior transit system officials and politicians repeatedly explained that this problem easy to solve from technical standpoint; remains unaddressed because it would impose an additional unsubsidized cost on the local system without perceived benefit to the municipality.

Advanced Technology Transit System:

The UTDC is developing an advanced technology rapid transit system for intermediate capacity applications. The new system will provide municipalities with an advanced option for meeting their requirements in this capacity range. No existing transit systems can satisfy the economic, operational and environmental standards required of high-quality intermediate capacity transit. UTDC has therefore undertaken the development of such a system.

Rapid transit requires separated rights-of-way. However, underground construction can be justified only on the basis of much higher passenger capacities than are usually planned for intermediate capacity systems. By avoiding underground construction, system capital costs can be reduced by \$20 million to \$25 million per mile.



- Provincial government has used subsidies to achieve transit policy goals in the last.
- Illustration of intermediate capacity transit system (ICTS) developed by provincially-owned Crown corporation in early 1970s.
- Trains developed to serve planned GO Transit-operated network in Toronto's suburbs where demand higher than buses but lower than subways - a plan eventually cancelled.
- Around that time the TTC was extending Bloor-Danforth subway further into Scarborough using streetcars.
- Construction of streetcar system had begun when provincial government asked the TTC to switch to ICTS.
- TTC was uninterested until province threatened to pull financing, which accounted for more than 75 percent of the capital budget.
- Result was Scarborough RT.

Bombardier Advanced Rapid Transit - Wikipedia, the free encyclopedia

Restrictions

The reduced 60¢ fare and the GO Monthly Sticker on a valid GO Monthly Pass are not accepted:

- from connecting GO buses at Square One Station
- with GO Transit group passes
- with GO Transit photo ID passes.

Resolving Fare Disputes

If a Mississauga Transit fare dispute occurs, the passenger is respectfully asked to:

- Pay the full fare
- Keep the disputed transfer and record the bus number, date and time of the event
- Call Mississauga Transit Customer Service at 905-615-INFO (4636) or TTY: 905-615-3886 from Monday to Friday, 8:30 am to 4:25 pm, or e-mail mtcustomer.service@mississauga.ca

For GO Transit fare inquiries, please call: 1-888-GET ON GO (438-6646) or 416-869-3200.

Transfers

When transferring to two or more buses from a GO Rail Station:

SPECIAL TRANSFER
MAR 03/09

- On the first bus, show the Mississauga Transit Operator a valid GO Ticket/Pass and request a special transfer that includes the information slip portion
- On the next bus, and on any subsequent buses, show the Mississauga Transit Operator the GO Ticket/Pass and the special transfer
- On the final bus connecting to or from the GO Rail station, show the GO Ticket/Pass and give the special transfer to the Mississauga Transit Operator.

Passengers with a GO Monthly Sticker affixed to a GO Monthly Pass also require a special transfer.



FEBRUARY 2010

Travel to or from your GO Rail Station for a lot less

- Only 60¢ with a valid GO Ticket/Pass
- \$24 for the GO Monthly Sticker, affixed to a valid GO Monthly Pass

Find customized route and schedule information:

ONLINE **Click n' Ride** ONLINE TRIP PLANNER Visit mississaugatransit.com and get click n'.

PHONE **citylink** 905-615-4BUS(4287) Call Citylink, Mississauga Transit's 24-hour automated information system, at 905-615-4BUS (4287), and enter a four-digit bus stop number for the scheduled bus departure times.

For customer information: 905-615-INFO (4636) TTY: 906-615-3886



- Conditional subsidy used to promote technological choice in last example can be used to bring about coordination.
- In practice, has been done infrequently and only as a small portion of total subsidies provided.
- 100 percent subsidy established in 1979 for portion of transit route extending beyond municipal boundaries.
- Encouraged establishment of a number of new cross-boundary routes until discontinued in 1984.
- At its peak, amounted to only 1.3 percent of total provincial operating subsidies paid to municipal transit systems.
- GO Transit's more enduring fare integration subsidies provide >\$7 million / year to local transit systems to provide a fare discount to customers who take local transit to their GO station.
- Amount of subsidy equal to 75 percent of local adult fare for passengers carried at a discount to and from GO system.
- When provincial operating subsidies were provided, all municipal systems with exception of Mississauga Transit subsidized remaining 25 percent so the ride to and from GO stations was free.
- Since loss of operating subsidies, all connecting systems in Toronto region impose surcharge to recover fare loss: today, must live in Barrie to ride for free!
- Lesson to be taken from examples is that local systems will participate in coordinative behaviour to the extent they are compensated for resulting losses.

PUBLIC TRANSIT

Presto plan raises plenty of questions

Is it the best option?
And who is paying?

TESS KALINOWSKI
TRANSPORTATION REPORTER

After years of hesitation, the TTC finally signalled last week that it is ready to adopt the province's Presto smart fare card.

But that won't end the debate about whether Presto is the best decision for transit riders or whether more tax dollars are being invested in technology that some believe is already obsolete.

It also doesn't mean negotiations are over between the city and province on who's going to install it.

That's why the TTC is keeping an offer of a "free" open-payment system by ACS Transport Solutions in its back pocket.

STAR EXCLUSIVE

TTC to give Presto cards green light

But city faces funding shortfall for new fare system, report says

TESS KALINOWSKI
TRANSPORTATION REPORTER

The TTC is expected to officially tap into the provincial Presto fare card system this week.

A TTC staff report going before councillors on the transit commission Wednesday recommends the city and the TTC begin negotiating this month with Metrolinx and the province on the financial and operating terms for adopting Presto.

It's not clear how long it will take to roll out the green smart cards or how much it will cost taxpayers to equip hundreds of streetcars, buses and subways with electronic card readers.

The plan is a major turnaround for the TTC, which in the past has argued that Presto technology is out of date and too expensive to implement.



of extending the Sheppard line.

According to the TTC report, the Presto agreement is continuing the province meeting the business and operating costs including the provision of payments through Presto.

Open payments allow users to use a debit card, a credit card or a phone on a reader to pay for fare.

The report recommends the TTC abandon plans to contract with a third-party provider for an open payment system.

Presto shortfall? No fear

Parties will use 'creativity' to find cash, says Metrolinx boss

ROBYN DOOLITTLE
URBAN AFFAIRS REPORTER

Don't worry about the money. This is the message the TTC has been sent when it comes to the province's Presto fare card system.

"It's been clear to Metrolinx and the province that the TTC doesn't have any more upfront capital to implement Presto," said Metrolinx president Bruce McCuaig.

McCuaig said the parties involved will use "some creativity" to close what appears to be a \$160-million funding gap associated with getting Toronto on board the province's regional transit fare program.

On Wednesday, members of Toronto's transit commission will be asked to scrap a proposal for an "open fare" pay system. That method, which would have been contracted out to a third party, allows users to pay for their ride by tapping a debit card, credit card or eventually a cellphone on a reader.

- PRESTO card a final example.
- Seamless regional transit fare card designed to offer a single form of payment across all systems; a precursor to thorny issue of integrating the fare structure itself.
- Developed on cost-shared basis between province and participating municipalities.
- Provincial investment of over \$150 million in system with commitment to pay 1/3 of municipal capital costs for rollout.
- As region's largest transit system, TTC's capital costs for full rollout were pegged at \$160 million; agreed to participate on limited basis only.
- Commission investigated a competing open payment solution that it argued would be technologically superior, but more importantly could be had for less than the \$50 million it budgeted for a new fare collection system.
- Provincial government itself paid to have PRESTO readers installed in 12 subway stations.
- In 2011 an agreement was reached that would see system rolled out on TTC in exchange for provincial government's commitment to fund the underground Eglinton Crosstown LRT.
- Senior TTC officials and Commissioners have informed me that despite technological reservations, cost was primary concern and had guarantee to cover capital costs been in place their participation could have been secured much earlier.

gate. The amount of the transaction would be equal to a single TTC adult fare, following which the passenger is free to ride throughout the TTC system;

- the fourth passenger lives in Weston and works at Pearson International Airport. This passenger takes a daily bus trip on the Weston Road bus to Lawrence Avenue, with a transfer to the Malton bus which provides direct service to the airport. On boarding, the passenger would pay a standard TTC fare, obtain a transfer which would be used to access the Malton bus for service directly to the airport. No further fare payment would be required.

The principle that the above examples are intended to show is that shorter distance travellers, whether they be within a single municipality or across a municipal boundary,

There is a strong municipal concern about the net cost impact of any fare integration or transit integration scheme on local municipal taxpayers. This reflects an opinion

2.2 Issues and Barriers

The following issues must be addressed in developing any fare integration scheme. The issues that are discussed below are not in any particular order.

There is a strong municipal concern about the net cost impact of any fare integration or transit integration scheme on local municipal taxpayers. This reflects an opinion that fare integration will mean a reduction in fare revenue to the local transit agency or that provincial subsidy arrangements will be modified to impose a greater financial burden on the local taxpayer.

Related to this point is the concern about an unequal distribution of costs and benefits resulting from transit integration. Specifically, there has been a concern expressed

Related to this point is the concern about an unequal distribution of costs and benefits resulting from transit integration. Specifically, there has been a concern expressed

these categories and particularly the discounts from the adult cash fare vary substantially, as do the prices of monthly passes.

While all local transit agencies use cash and paper media, they are not necessarily interchangeable. For example, TTC is the only agency that uses metal tokens and it has been suggested that TTC tickets, which are smaller than those of the adjacent municipalities, would jam the electronic registering fareboxes used by the transit systems outside Metro.

Fare Integration Working Group Pg. 9

- Examples demonstrate cost of coordination to local systems is often the primary barrier to its achievement.
- Cost barrier to coordination emerged as constant theme throughout interviews and is reflected in primary documents.
- Take these excerpts from province's 1994 task force on coordination (on slide).
- With few exceptions, provincial subsidies have provided no special incentive for coordination.
- New subsidies aimed at coordinative behaviour could be developed, or provincial subsidies could be made conditional on coordinative behaviour.
- Approaches could facilitate "quick wins" for coordination without need for organizational change.
- Broader implication is need to consider role financial tools can play promoting coordinative behaviour in any emerging governance model: carrot and the stick.



**1. COORDINATION DOES NOT REQUIRE
AMALGAMATION**

**2. THE GOVERNANCE MODEL WILL AFFECT
THE OUTCOME**

**3. FINANCIAL TOOLS CAN BE USED TO
PROMOTE COORDINATION**

50

- Today's talk shared three preliminary insights based on early work in Toronto.
- (1) Coordination does not require amalgamation; it has occurred on an ad hoc basis between municipalities for a long time.
- (2) The structure of governance can affect the outcomes. When any single order of government holds a veto over a plan, progress can be slow.
- (3) But the small number of provincial subsidies that have been made conditional on coordinative behaviour have proven remarkably successful at encouraging it.
- In short term suggests many low hanging coordination problems can be solved with investment of money and foresight.
- Also suggests a strategic role for finance in overcoming some of the complexities of politics and multi-level governance in future approaches: how might this shake out?



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- Thanks.
- Comments and questions always welcome.